

ANNUAL REPORT 2022

**Shareholders' Meeting
of April 25, 2023**



WE OPEN THE WAY



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CHAIRMAN AND CEO

Frédéric Gardès

BOARD OF DIRECTORS

as of April 25, 2023 ⁽¹⁾

DIRECTORS

Frédéric Gardès
Chairman and CEO

Cyril Bouygues
Director

Société Bouygues
Permanent representative:
Pascal Grangé

Didier Casas
Director

Anne-Christine Champion ⁽²⁾
Director

Colette Lewiner ⁽²⁾
Director

Catherine Ronge ⁽²⁾
Director

Olivier Roussat
Director

STATUTORY AUDITORS

as of April 25, 2023

Mazars
Statutory Auditor

PricewaterhouseCoopers Audit
Statutory Auditor

INFORMATION ABOUT THE COMPANY

Company name	Colas
Registered Office	1 rue du Colonel Pierre Avia, 75015 Paris - France
Legal form	Société anonyme
Trade register	552 025 314 RCS Paris
ISIN code	FR0000121634
Fiscal year	from January 1 to December 31

(1) Subject to approval by the General Meeting of Shareholders of April 25, 2023.

(2) Independent director.

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MANAGEMENT REPORT

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Management report

1. PROFILE

Colas has one mission: to imagine, build and maintain sustainable transport infrastructure from its local roots around the world.

Backed by a global network of 900 local construction business units and 3,000 material production and recycling units in more than 50 countries on five continents, the Group's 58,000 employees act locally to connect communities and foster exchanges for today and tomorrow.

Colas' ambition is to be the world leader in innovative, sustainable mobility solutions.

1.1. Activities

Colas works in the construction and maintenance of transport infrastructure through three main business segments:

- Roads (construction and maintenance of road infrastructure, including road safety and signaling);
- Construction materials (production and recycling);
- Railways.

It also operates in Water & Energy Transport.

Colas performs nearly 60,000 projects each year around the world, the majority of which involve recurrent local business.

1.1.1. Roads

The Group's main business activity involves the construction and maintenance of road infrastructure. The Roads business is very diverse, covering a wide range of jobs and skill sets.

Each year, *via* 55,000 projects worldwide, Colas builds and maintains roads and highways, and also works on airfield runways and aprons, seaports, industrial sites, logistics and commercial premises, street construction and urban development (pedestrian walkways, bicycle paths), reserved-lane public transport (tramways, bus lanes and metros with a high standard of service), recreational amenities (green paths, motor racing tracks, sports facilities) and environmental protection (retention ponds, landscaping, wind farms, ecological engineering), etc., and manufactures, installs and

maintains safety, signaling and traffic management equipment for this infrastructure. The degree of seasonality of this business varies from one country to the next.

This activity also includes small-scale civil engineering and drainage work often linked to road projects, as well as more complex civil engineering jobs (major structures) required when bidding for road or highway contracts.

Lastly, in certain geographies, the Group's road construction subsidiaries also carry out building activities. This includes conventional new construction and renovation projects in the Paris region and the Indian Ocean and Oceania, where this is often an indispensable addition to road work, and the demolition and deconstruction of buildings in France under the Premys brand.

The Group's road construction and maintenance business encompasses a very large number of smaller projects, as well as projects of greater size and complexity, including, for example, major tramway projects undertaken as part of a consortium with rail subsidiaries.

These projects can take the form of complex contracts such as concessions, public-private partnerships (PPP) or private finance initiatives (PFI). In connection with such projects, Colas sometimes acquires stakes, mostly minority, in concession companies for highway and airport infrastructure, urban roadways, and public transport. Colas Projects, an entity dedicated to major projects, provides subsidiaries with expertise in studies and construction.

Colas is involved in road activities at almost every one of its locations worldwide: mainland France (where it has a tightknit nationwide network of 300 profit centers), the British Isles, Western Europe, Central Europe and Northern Europe (notably Finland), the United States (mainly in 16 states), Canada (in all provinces and territories), all French overseas departments and regions (Martinique, Guadeloupe, French Guiana, Mayotte, Reunion Island), the Indian Ocean (Madagascar, Mauritius), Africa (mainly in Morocco and West, Central and Southern Africa), the Middle East (United Arab Emirates, Qatar), Oceania (Australia, New Zealand, New Caledonia), Latin America (Chile, Peru) and, less frequently, Asia (Thailand).

1.1.2. Construction materials

Upstream of road construction and maintenance, Colas operates a major production and recycling activity for road construction materials (aggregates, emulsions and binders, asphalt mix, ready-mix concrete, bitumen) throughout its locations around the world. These materials are consumed or sold to third parties.

Colas relies on a tight international network made up of 477 quarries and gravel pits (of which 71 are jointly owned), 147 emulsions and binder plants, 507 asphalt plants (of which 136 are jointly owned), 166 ready-mix concrete plants and a bitumen production plant (located in Kemaman, Malaysia).

For the year 2022, the Colas Group sold 98 million metric tons of aggregates (excluding recycled materials), 1.3 million metric tons of emulsions and binders, 35.2 million metric tons of asphalt mix and 2.7 million cubic meters of ready-mix concrete (Group share). Bitumen production represented 0.3 million metric tons. Colas also has a Group share of 3.0 billion metric tons of authorized reserves ⁽¹⁾ of aggregates (i.e., thirty years of sales, Group share), with, in addition, 1.7 billion metric tons of potential reserves ⁽²⁾ as an additional Group share.

Colas also makes road safety and signaling equipment, chiefly in mainland France, through Aximum, which has ten production facilities.

In addition to these upstream road construction materials production and recycling activities, Colas has a major bitumen distribution business, particularly in Asia (through the Thai company Tipco Asphalt, in which Colas holds a 31% stake), Australia and North America. This activity is also carried out in the EMEA zone (Europe, Middle East and Africa) through the company Continental Bitumen Ltd. The entire logistics network comprises 71 bitumen terminals, eight bitumen tankers, two river barges and 200 railcars.

1.1.3. Railways

The Railways business performed by Colas Rail and its subsidiaries includes the design and engineering of large complex projects, the construction, renewal and maintenance of rail networks (high-speed and conventional train lines, tramways, subways), with the laying and maintenance of tracks, electrification (substations, catenary systems), signaling/telecommunications, safety systems, ventilation and fire detection/protection, as well as specific projects involving bridge cranes, special branch lines and the repair of railway tunnels. Some major projects, such as tramways, are carried out together with road construction subsidiaries.

The Railways business operates in 20 or so countries around the world, mainly in France and the United Kingdom but also Germany since October 2022, Italy, Switzerland, the Czech Republic, Canada, Chile, Morocco, Egypt, the Philippines and Singapore.

1.1.4. Other activities

WATER & ENERGY TRANSPORT

This activity is operated by Spac. It includes the laying and maintenance of pipelines, pipes and ducts for the transport of water and energy (oil, natural gas, electricity, heating, air conditioning), including the construction of turnkey gas compression stations, small-scale civil engineering work and industrial services.

These activities are carried out mainly in France. Spac has continued its international development, mostly by relying on local Colas subsidiaries.

1.2. Climate strategy

1.2.1. Ambition

In response to climate change, Colas has adopted a strategy for decarbonizing its operations.

1.2.2. Objectives

Colas has set itself ambitious targets, compatible with the Paris Agreement: by 2030, to reduce its direct greenhouse gas emissions by 30% (Scopes 1 and 2) and its indirect upstream emissions by 30% (Scope 3a) compared to the reference year 2019.

These targets are based on estimated CO₂ savings resulting from a series of actions set out in a roadmap and have been validated by the Science Based Targets Initiative (SBTi).

1.2.3. Action plan & examples

Led by a Low Carbon Strategy Committee, the project is rolled out across the Group's operational entities *via* a Low Carbon and biodiversity roadmap including 29 commitments, monitored by existing indicators or those in the process of being created. Actions implemented hinge around six key priorities:

- integrating climate issues into the strategy: new business segments based on services using renewable energy (e.g., wind farms), creation of concepts helping to adapt to climate change (e.g., green lanes for tramways), employee training and awareness raising (e.g., low carbon e-learning programs, dedicated low carbon day, climate fresco, infrastructure fresco);
- improving energy efficiency to reduce greenhouse gas emissions linked to direct energy consumption by asphalt plants, machinery and vehicles: energy monitoring, renewable energies and low carbon solutions (e.g., supply

(1) "Authorized reserves" refers to the annual tonnages authorized by the authorities, multiplied by the number of years remaining until expiration of the operating permit, at all premises controlled by the Group. This figure cannot exceed the number of tons that are economically viable within the scope of the permit.

(2) "Potential reserves" refers to tonnages currently in controlled premises, with the reasonable likelihood that a local permit will be obtained, and not already counted under "Authorized reserves". This figure cannot exceed fifty years of production, based on the assumption that a permit will be obtained or an existing permit renewed.

- the HGV fleet in France with Oleo100 bio-based fuel, signature in 2022 of the EcoWatt and Ecogaz charters);
- developing and promoting low carbon products, techniques and solutions: purchasing low carbon cement and binders, producing low carbon concrete, bio-sourced materials, warm and cold mixes and in-place recycling (e.g., launch in 2022 of a network of Valormat and Ecotri recycling and cleanfilling facilities in France as part of a focus on developing circular economy activities);
- making the carbon accounting of activities more reliable: in 2022, using the Colas Carbon Counter, a carbon counting tool developed in-house to calculate the carbon footprint of construction projects, a new methodology was developed to calculate the carbon footprint of all Colas activities on scopes 1, 2 and 3a. This new methodology takes into account physical flows and expenses related to business activity, and no longer revenue;
- contributing to carbon neutrality and helping reduce customers' and users' emissions: innovative, sustainable mobility and traffic management services, optimized infrastructure use, carbon capture and storage (e.g., Qievo's solution to manage last mile logistics);
- incorporating concerns relating to protecting biodiversity into activities (e.g., ecological engineering, Biodiversity Day in 2022, "Forest & Life" partnership for tree planting).

1.3. Development strategy

Colas' development strategy hinges around four key priorities:

- **creating value from its industrial activities, notably quarrying and bitumen**, in an environmentally, socially and societally sustainable way, to control the availability and quality of supplies, improve competitiveness and grow volumes in areas with development potential;
- **continuing to focus on targeted international development**, mainly through external growth and in low-risk countries (Germany, United States, Northern Europe), to establish and develop local leadership and spread risk through geographical diversification;

- **developing and implementing low carbon solutions** for use in both production processes (energy savings, recycling, hydrogen, etc.) and offerings for customers and users (contractual, technical and digital solutions);
- **stepping up the pace of digital transformation** in processes, industries and new business lines, in order to improve quality and competitiveness and offer new services.

1.4. Strengths & advantages

Colas operates in **long-term growth markets**. These markets are driven by population growth, urbanization, substantial demand for infrastructure in emerging markets, recurring needs for infrastructure maintenance in developed countries, environmental issues, the development of new forms of mobility and the digital revolution.

Colas' main strengths are its:

- **collective global expertise**, thanks to the 58,000 men and women who work at Colas, united around a common history, shared culture and values (caring, sharing, daring) and a renowned brand name;
- **local presence** in the form of a network of 900 locations all over the world, with longstanding local teams familiar with local issues and able to undertake small maintenance and upgrade projects, which account for the bulk of the nearly 60,000 projects completed each year;
- **international network** of 3,000 construction materials production and recycling units (aggregates, bitumen emulsions, asphalt mix, etc.), supplemented by more than 70 bitumen terminals, which give it control of the value chain at an upstream stage and in particular of its impact on the environment;
- **capacity for innovation**, in particular with the Core Center, which designs and develops products and techniques addressing the challenges of energy transition and new uses, and in the area of digital transformation, the new services developed by "Mobility by Colas";
- **solid financial structure**, able to generate cash flow to allow Colas to pursue its growth strategy by continuing to take advantage of selective investment opportunities.

1.5. Competitive positioning

ROADS (INCLUDING SAFETY, SIGNALING) AND CONSTRUCTION MATERIALS

In Mainland France, Colas is the leader ahead of Eurovia (Vinci group) and Eiffage Travaux Publics (Eiffage group). It is also in competition with major national companies such as NGE and Fayat TP, regional firms like Roger Martin, Charrier and Pigeon and a very dense network of local and regional small- and medium-sized businesses. In the aggregates and ready-mix concrete market, competitors include cement groups such as LafargeHolcim, Cemex, Equiom, HeidelbergCement and Vicat, and a regional or local network of aggregate producers, which in some cases also work in construction. In the road safety and signaling market, Aximum's main competitors are Signature (Eurovia), Agilis (NGE), AER (Eiffage), and Girod and Lacroix in the sign sector.

In most of the European countries where Colas operates, the Group enjoys a prominent position in the roads industry. Its main competitors in these countries are national corporations or subsidiaries of large international groups (construction and public works, cement makers, manufacturers of building materials).

In North America, Colas holds a market-leading position in Canada. In the fragmented markets of North America, Colas' competitors are not only local, regional and national entities (such as, in the United States, Granite Construction in the building and refurbishment of transport infrastructures and Vulcan Materials and Martin Marietta in materials), but also subsidiaries of multi-national corporations, especially in the materials production business (e.g., CRH, LafargeHolcim, Hanson-Heidelberg).

In most of the other countries and regions where it operates, Colas is a prominent player in the road construction sector. It competes in each country with national corporations or the subsidiaries of major international groups (construction and public works, cement makers, material manufacturers).

RAILWAYS

Colas Rail's main competitors in France are ETF (Eurovia), TSO (NGE), TGS (Alstom), Eiffage Rail, and a number of independent mid-sized companies. In the United Kingdom, they are Balfour Beatty, Babcock, Volker Rail, BAM, and Ferrovial.

WATER & ENERGY TRANSPORT

Spac's competitors are major national and international companies such as Spiecapag, Bonati, Ponticelli, Endel, Eiffage Métal, Denys and Nordon, as well as a dense network of small- and medium-sized businesses.

2. ENVIRONMENTAL, EMPLOYEE AND SOCIAL INFORMATION

Bouygues, which has a controlling interest in the Company as defined in Article L. 233-3 of the French Commercial Code, has drafted and published a consolidated Statement on Extra-Financial Performance as mentioned in its Universal Registration Document.

The Company is therefore deemed to comply with the requirements of Article L. 225-102-1 IV of the French Commercial Code and is exempt from preparing a separate Statement on Extra-Financial Performance.

In accordance with the provisions of Articles L. 225-100-1 and L. 22-10-35 of the French Commercial Code, this section sets out the information and commitments made by the Company with regard to environmental, social and societal issues, non-financial key performance indicators and the low carbon strategy implemented within the Group.

In order to ensure transparency for its stakeholders, the Company has decided to have these elements audited by an independent third-party organization. The report of the latter is available in the "Independent verifier's report on a selection of non-financial information" section of this annual report.

Introduction

Colas must respond to major societal issues including social cohesion and equal treatment, inclusion and diversity, combating climate change and preserving biodiversity, transportation and housing needs, improving living conditions, shared mobility, energy transition, preserving resources, and health and safety and workplace well-being.

Furthermore, given the diversity of its activities, Colas needs to take account of the expectations of a number of stakeholders, both at Group level (shareholders, governments and administrations, international development funds, etc.) and at the local level (employees, customers, suppliers, users, local residents, etc.).

To respond to these expectations, Colas' Corporate Social Responsibility (CSR) policy is based on its impacts, risks and opportunities (specific to its activities) and reflects its values of caring, sharing and daring, which form the foundation of its corporate culture. The aim is to respond to the expectations of its many stakeholders and foster a lasting culture of continuous improvement in the field and within the areas in which it operates.

CSR commitments under the ACT project

In 2022, Colas continued to roll out its corporate project called ACT (Act and Commit Together), focused on the Group's eight CSR commitments towards its stakeholders for 2030:

- a commitment to integrate CSR into the business and, in particular, the way in which customers and users are offered solutions that meet the challenges of sustainable regional development;
- three commitments directly related to Colas' activities in terms of its low carbon and biodiversity strategy, the circular economy, reducing its impact and improving the acceptability of its activities;
- two commitments to our employees, particularly on how to attract, develop and retain talent through managerial excellence and how to consolidate a health and safety culture;
- a commitment to responsible purchasing, or how to build a responsible supply chain founded on sustainable performance; and
- a commitment to consolidating an exemplary culture of ethics and compliance.

CSR cuts across all areas of the Group's operations and is supported by its main cross-business functions, in particular business development, environment, health and safety, human resources, procurement, equipment, and even legal. It is managed by the CSR Department, which forms part of the Innovation and Sustainability Department. This department is divided into four units that cover most of the resources needed to coordinate and roll out the Group's CSR commitments:

- development of sustainable strategies (involving the CSR, Environment and HPS ⁽¹⁾ departments);
- development of smart and sustainable infrastructure and mobility solutions;
- research and development of sustainable products and solutions;
- institutional relations.

(1) Health/Prevention/Security.

These four units work on major CSR themes: environmental and low carbon solutions, adapting infrastructures to climate change, active mobility solutions to respond to the needs of customers and users, smart infrastructure, and digital solutions powering performance gains and new business.

The CSR Department, which provides expertise and oversees CSR issues, is responsible for coordinating the implementation of CSR policy across the Group as a whole. Implementation of the ACT project is structured around four key pillars:

- promoting CSR commitments and raising awareness;
- project governance;
- implementing and monitoring entities' action plans;
- measuring non-financial performance.

To foster continuous improvement, these different stages are analyzed, evaluated and presented to the Executive Management Committee each year as the various commitments are rolled out and non-financial results are gathered during the reporting campaign.

Promoting CSR commitments and raising awareness

With the support of the Communications Department, the CSR Department undertakes various activities to promote and raise awareness of the ACT project among employees. These activities, which were particularly important in bringing employees on board when the ACT project was first launched, continue throughout the year.

The following training and awareness-raising activities were undertaken in 2022:

- an awareness and self-assessment module for managers on the eight CSR commitments was rolled out. The aim is for managers to share a common core of knowledge around the ACT project and bring their teams on board. Almost 700 managers have already undertaken self-assessments on the eight commitments for sharing with their teams. Some entities, for example in Switzerland, Slovakia and Gabon, have even opted to expand the rollout to raise awareness of CSR issues among all managers;
- specific employee upskilling tools have been rolled out: Climate Fresco, webinars on compliance rules and “Road Fresco”, to raise awareness among employees of the impacts of Colas' various activities and the solutions set out in its low carbon and biodiversity strategy;
- talks were given at Colas' various universities or academies around the world to raise awareness among all employees about CSR.

The CSR Department also set up ColasShare ACT, based on the Group's ColasShare knowledge management platforms, to highlight the Group's CSR commitments and network of CSR experts. This ColasShare ACT platform brings together a range of tools available to operational staff: communication materials, information about commitments and a guide to answering CSR questions that come up in calls for tenders. The platform, which is open to all, can also be used to share best practice.

Governance

The ACT project is monitored and managed using a matrix-based approach with two tiers: Group and local.

On the one hand, each of the CSR commitments is led by a project manager at Group level, who defines the roadmap, governance of its commitment, actions to be taken and monitoring indicators to be put in place. These commitment coordinators represent functional or corporate departments: Human Resources, Environment, Health and Safety, Procurement, Legal and Compliance, Business Development. The CSR Department periodically brings these commitment coordinators together to monitor and oversee progress on the ACT project.

On the other hand, each entity (geographical business units and subsidiaries) appointed a CSR Officer responsible for overseeing the operational rollout of the eight CSR commitments, supporting the definition and implementation of CSR action plans within his/her scope (in keeping with the Group's corporate roadmaps), monitoring progress made and steering local initiatives in collaboration with sponsors. This network of over 20 CSR officers is coordinated by the CSR Department, in particular by a committee of CSR officers that meets three to four times a year to oversee the project and share best practice and achievements.

Lastly, an update on the rollout of the ACT project is presented at each meeting of the Executive Management Committee. The formal involvement of the Executive Management Committee is essential to ensure the participation of Colas' entities.

Implementing and monitoring action plans

The CSR Department has put in place a process to translate CSR commitments into operational action plans.

In 2022, the coordinators of the eight commitments defined the essential actions entities are expected to take for each commitment. This represents around 50 actions that either have a decisive effect on the impact of commitments or pave the way for rapid progress. Each entity is required to incorporate these essential actions into its action plan. CSR officers also incorporate local actions selected to support their entity's strategy or meet the expectations of local stakeholders.

To monitor progress against action plans, Colas decided to put in place a progress monitoring system. This system helps coordinate progress against local action plans and share achievements and best practice worldwide. Phased rollout of the system began in late 2022 and will continue in 2023.

Some entities, notably in France, have implemented best practice as to how to best implement the project within their business units:

- the Northeastern region has put in place ACT ambassadors within each business unit responsible for implementing the regional action plan within their business units and coordinating the approach so as to identify and progress additional actions;
- the Western region has developed a deck of cards to help implement its regional action plan: dedicated ACT sessions were held at which business unit heads each put together their own action plans by selecting the cards they wanted to use and present to their teams;
- Colas subsidiary Spac has incorporated its CSR action plan into its Horizon 2024 project, which is being rolled out operationally by the business unit head with the support of a local CSR Officer.

Measuring non-financial performance

The CSR Department coordinates non-financial reporting (collecting information, consolidation and verification) in order to track the performance of CSR indicators, and consolidates qualitative and quantitative non-financial data in Colas' various annual publications. Overall, around 70 environmental, social and societal non-financial indicators are collected across the Group each year. In 2022, a new reporting tool, CeS@R, was implemented to simplify the process of collecting data from users and offer more advanced analytical capabilities. The data is analyzed at different levels to identify strengths and priority actions.

Communications

Various communication actions are carried out throughout the year to inform internal and external stakeholders.

Internal communications

DIGITAL TOOLS

Colas relies on various digital tools to keep employees informed:

- the internal social network, Yammer, is enriched on a daily basis as employees share their experiences and promote best practices, through communities for employees working in the same business line, on the same project or in the same geographical area;
- the monthly *Colas Inside* newsletter, sent out to all Group employees, includes a CSR section and subject-specific sections (on HR, the environment, health and safety, etc.) conveying key messages and Group news;
- "Routes" magazine, which provides a summary of news from around the Group twice a year. This is sent out to employees and published on the website;
- the Bouygues group's in-house newsletter, *Challenger Express*, which regularly features news about flagship initiatives at Colas, notably in the CSR field.

Digital internal communication tools have also been in place within the Group's subsidiaries for several years. For example, Colas France has a blog, *l'e-Changeur*, which shares news from the field, including in relation to the ACT project. Meanwhile, Colas Danmark has implemented a mobile app to communicate with all employees, including site workers. Colas Rail produces an online traveling television news show that highlights a range of CSR initiatives and news.

In 2022, Colas continued to run dedicated webinars focused on each CSR commitment, in which CSR coordinators explain the governance structure and roadmap (current and future actions) for each commitment. The webinars "We act for sustainable solutions for our clients" and "We act for less impact" were each watched live by over 1,200 employees in addition to those who watched the recorded sessions later. In total, these webinars on Colas' CSR commitments had more than 12,900 views as of end 2022.

For Sustainable Development Week in September 2022, the CSR Department produced an ACT starter briefing in the form of a motion design film presenting Colas' eight CSR commitments. The film, which aimed to explain the ACT project in an accessible way, was translated into the languages of all countries where Colas operates and was widely distributed. As of end 2022, the ACT starter briefing had had over 10,000 views.

DEDICATED ACT PROJECT EVENTS

In 2022, a variety of events were held to get Colas employees onboard with the ACT project throughout the year:

- Colas in Motion in May: Colas held a CSR-focused conference attended by more than 700 senior executives from 40 countries and featuring 50 internal and external speakers and six Colas partners. Attendees each followed "CSR tracks" tailored to their profiles – Carbon Fighter, Upcycler, Innovator and Humanizer – and highlights included two panel discussions on CSR, a talk by Bertrand Picard, CSR masterclasses, a "village" showcasing Colas' CSR solutions, Climate Fresco workshops and the newly created Low Carbon Way workshop. Trophies were also awarded in recognition of entities' most notable CSR achievements. This event was an opportunity to share progress on the ACT project and Group CSR best practice from around the world;
- Environment Day in June: Colas held its second Environment Day to raise employee awareness of issues surrounding the collapse of biodiversity;
- European Sustainable Development Week in September: this key event was structured into three phases – Understand, Discover and Act. The week was an opportunity for employees to deepen their understanding of corporate social responsibility and take concrete action on a range of CSR issues. A few examples are as follows:
 - a talk on constraints and opportunities arising from the transition to a circular economy,
 - Climate Fresco and Low Carbon Way workshops,
 - local community initiatives in various countries including tree planting, litter pickups, etc. as well as social inclusion initiatives,
 - distribution of the ACT starter briefing,
 - provision of a communications pack including posters, teasers, kakemonos, etc;
- Mobility Week in September: Colas put a spotlight on intermodality, in particular through Wattway, its photovoltaic road surfacing solution catering for multiple forms of mobility (offering users more ways to get around, improved continuity of service and improved travel conditions). By producing videos and attending exhibitions (Infratech in Germany and Innopolis and Architect@work in France), teams from Colas were able to communicate about these mobility solutions with their partners Hauber & Graf and Nielsen.

BRANDING AND EMPLOYER BRAND

To showcase its brand, Colas set up a brand platform in 2020 that reflects its core identity: "Imagining, building and maintaining sustainable transport infrastructure from our local roots, around the world", in keeping with the expectations of its various stakeholders and its CSR commitments. In 2022, Colas continued to highlight its values in internal communications, such as video messages from the Chairman and CEO, as well as at a number of gatherings and events including the Colas Team Cup.

To promote its employer brand, in 2022 Colas held its third Colas Team Cup, the Group's own sports and arts competition, opening it up to the outside world for the first time so students from all schools could take part. Over 300 people registered. This community-building event boosted Colas' appeal among future candidates.

To ensure they were able to answer candidates' frequent questions about the Company's CSR policy, recruiters also received training on the Group's CSR commitments and their operational implementation.

External communications

The new corporate website, www.colas.com, was launched at the end of 2021 to promote the Group's CSR approach externally and set out the ACT corporate plan and eight associated CSR commitments. A dedicated and regularly updated section expands on these commitments. Press releases also highlight some of the Group's flagship achievements in relation to its CSR commitments.

Active on social networks, Colas regularly highlights CSR commitments and initiatives around the world. Employees often post about CSR initiatives, tagging them with the #ACT hashtag.

The Group also promotes its CSR approach in its magazine "Routes", which is distributed to employees and published on the www.colas.com website and shares news about the Company's strategy as well as testimonials and tangible actions from around the world. In 2022, Colas produced an ACT brochure aimed at all stakeholders that sets out the Group's eight CSR commitments together with illustrative examples for each commitment.

Various Group entities and subsidiaries have their own communication materials promoting CSR. For example, Spac publishes a magazine, *Espace*, which it also sends out to all customers.

Looking beyond the Group's own magazines, the fall 2022 issue of *Politique Internationale* magazine dedicated to the future of roads included expert opinion on the subject, notably including interviews with Colas' Chairman and Chief Executive Officer and directors from around the Group.

Lastly, Colas attends trade fairs such as the Salon des Maires et des Collectivités Locales for mayors and local authorities in Paris and Innotrans in Berlin, a transport exhibition attended by Colas Rail. Such events are opportunities for the Group to promote its sustainability goals among customers, together with the resources and solutions it offers to help achieve them.

2.1. Offering our customers and users solutions that meet the challenges of sustainable development in local communities

Environmental, climate-related and societal challenges as well as evolving uses create both strategic challenges and opportunities for Colas. Customers, whether in the public or private sector and whether local or global, are conveying expectations with regard to the environment and society to an ever-greater extent, and are increasingly addressing these concerns in the design of their projects and in their specifications. Colas needs to take into account and anticipate these expectations, which demand more of infrastructure than just technical and economic considerations. This needs to become a central concern behind all city and regional developments.

To respond to these expectations, Colas incorporates CSR into its business activities by:

- developing products and solutions geared toward sustainable development priorities;
- designing and offering “sustainable” next-generation infrastructure projects;
- involving stakeholders and promoting its CSR commitments.

This commitment is supported by two Group departments, Business Development and Marketing, as well as by the 2SIM Department (Sustainable Smart Infrastructure and Mobility). To help them deliver on this commitment, these departments are supported by a community of business development correspondents at each entity, overseen by an operational coordinator, and by the Group's expertise and support resources. In particular, the network of correspondents facilitates the sharing of best practice in relation to solutions offered to customers.

2.1.1. Developing products and services geared toward sustainable development priorities

The products and services offered by Colas are evolving to meet sustainable development needs and multiple stakeholder expectations. To this end, the Group takes into account the following:

- the impact of solutions on the environment, in particular preserving resources (materials, energy, water, etc.) and their acceptability;
- mitigating the effects of climate change through low carbon solutions and services that reduce greenhouse gas emissions (traffic regulation systems, active mobility solutions, etc.);
- adapting to climate change by means of resilient solutions (ecological engineering, urban cooling islands, permeable paving, etc.);
- the transition to low carbon solutions, which presents market opportunities in new business segments (decarbonized mobility, renewable energy, hydrogen networks, etc.) as well as in sectors that will benefit from shifts in modes of transport, such as ports and associated intermodal platforms.

PROMOTING ENVIRONMENTALLY FRIENDLY ALTERNATIVES TO LIMIT THE IMPACT ON THE ENVIRONMENT

To limit construction projects' impact on the environment, Colas offers its customers environmentally friendly alternatives, which require less energy, transportation and materials, and produce less greenhouse gas emissions than conventional products and techniques. For many years, Colas has used Seve®, the ecological comparison tool developed by the industry in France. This software, made available in English in 2022, is now being rolled out internationally, notably in the United Kingdom and Canada. The number of environmentally friendly alternatives offered reflects the state of each market, with conditions sometimes making it more difficult to offer such alternatives: for example, some countries, such as the United States, Canada and Morocco, do not allow environmentally friendly alternatives to be included in public tenders. Last year, the amount of greenhouse gas emissions avoided came to 7,261 metric tons, consistent with the number of environmentally friendly alternatives selected. For the BRT construction project in Cayenne, Colas proposed the use of ColGrill R (an asphalt mix reinforced with thermobonded glass fiber mesh), which can reduce CO₂ emissions by as much as 45% and uses less materials than the conventional solution. The Group also proposed installing solar panels on some shelters and buildings to reduce their lifetime environmental impact.

In 2022, Colas updated its French range of low environmental impact products and solutions that was shared with unit managers, sales representatives and design offices. On this basis, and on the basis of training design office staff to use Seve®, Colas has set itself the target of increasing the number of environmentally friendly alternatives on offer in the next few years in order to promote alternative solutions to its customers. Its goal is to reach 1,000 environmentally friendly alternatives per year between now and 2030.

Colas also offers circular economy solutions such as Recycol and EasyCold to save on transportation and materials costs. Recycol in-place recycling was rolled out in a number of countries in 2022. For example, it was used to resurface three streets in the city of Coventry, United Kingdom. These in-place recycling solutions are also heavily used in Canada by the Group's subsidiary Miller. EasyCold, which enables reclaimed asphalt pavement to be reused on site, was also rolled out in 2022, notably in Ireland and Iceland. In Iceland, nearly 15,000 metric tons of EasyCold R+ was used at a number of sites on the Route 1 national ring road, enabling reclaimed aggregates to be reused in road base asphalt.

In addition, through its environmentally friendly alternatives, Colas promotes solutions that make construction projects more acceptable on a local level, such as the UBY and Hello Travaux applications. Hello Travaux is a mobile app for communicating with residents living close to construction sites. It represents a practical response to customers' concerns about local dialogue and is being rolled out in a number of countries, including in particular France and United Kingdom.

Indicators	Scope	Unit	2020 ⁽¹⁾	2021 ⁽¹⁾	2022
Number of suggestions made using an eco-comparison tool	World	Number	91	198	325
Greenhouse gas emissions avoided thanks to environmentally friendly alternatives selected	World	tCO ₂ e	1,279	4,555	7,261

(1) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The number of environmentally friendly alternatives offered increased by more than 60% between 2021 and 2022. Increased communication and awareness around the Seve® tool, begun in 2021, continued in 2022 in France, notably thanks to dedicated training for design offices. Furthermore, this software, made available in English in 2022, has begun to be rolled out internationally, in particular in the United Kingdom and Canada. The proportion of greenhouse gas emissions avoided also increased in line with the number of environmentally friendly alternatives selected.

CLIMATE CHANGE MITIGATION

Thanks to its innovative products, Colas offers its customers solutions to mitigate the impact of climate change on infrastructure and their close environment. The Colas catalogue includes products such as Vegecol, Urbalith and low-temperature asphalt mixes. For example, Vegecol, a mix made using an innovative 80% plant-based binder, was used on a greenway in the town of Pierrefonds near Paris during the summer of 2022. It constitutes an aesthetic, low carbon alternative, thanks in particular to its lower production temperature. It is also being trialed in other countries such as Denmark, where this emulsion binder for surface dressing has been tested.

ADAPTING INFRASTRUCTURE TO CLIMATE CHANGE AND REGIONAL RESILIENCE

In 2022, Colas continued with its initiatives focused on adapting infrastructure to the effects of climate change. For example, Colas France subsidiary INMS has developed Urbalith, a permeable, organic mineral binder. Thanks to its properties, this binder is notably used in urban construction projects for permeable paving or to create cooling islands, for example in building the parking lot at the Aurillac train station, where 5,000 square meters of Urbalith paving was used.

Colas is working on solutions that promote the creation of urban cooling islands and "cool air itineraries". Technical feasibility of an initial urban cooling solution that is particularly well suited to maintaining existing infrastructure is currently being trialed. Colas has also invested in developing a demonstrator in southeastern France that should make it possible to assess a systemic overall approach to the issue of urban heat islands and sustainable urban water management. At the same time, Colas continues to develop its expertise in microclimate modeling and instruments for measuring the performance of urban cooling solutions *in situ*.

To help boost regional resilience, Colas is also broadening its expertise in ecological engineering, notably to preserve or rehabilitate natural habitats and restore degraded habitats. For example, as part of an environmental restoration project at the Kerfontaine peat bog in Sérent, Brittany, Colas employees removed a drain and reinstated the original watercourse to restore the benefits of this type of wetland. This type of environmental engineering work is expanding fast at Colas in France as entities work to establish themselves in this market segment. For example, the Western region has formed a team to support development, while earthworks subsidiary Perrier TP now generates between 5% and 20% of its business from environmental engineering.

One of the key levers for achieving the goal of “net zero artificialization” in France by 2030 is the reuse of sites that have already been developed and thus are no longer in their natural state. Colas is therefore seizing more and more opportunities in the area of integrated solutions for brownfield regeneration. For example, for the redevelopment of the Neyrpic brownfield site, part of an extensive urban development project in Grenoble, Colas subsidiary Premys carried out the demolition work while Colas Environnement took care of decontamination. With its 40 years' experience, Colas Environnement has solid credentials in the full suite of decontamination techniques. This subsidiary combines traditional techniques with innovative custom solutions for both brownfield regeneration and management of environmental liabilities for industrial companies. Colas Environnement is particularly active in innovation and R&D. For example, it has developed EspresSoil, a process that uses recycled coffee grounds to treat soil contaminated by hydrocarbons, thus promoting circular economy principles.

LOW CARBON TRANSITION

With its infrastructure projects, Colas provides its expertise in a number of activities that contribute to the transition of low carbon alternatives, in particular the production of low carbon energy, infrastructures and transportation.

Colas has established itself as a key participant in construction projects linked to low carbon energy production facilities such as wind farms, solar farms, biogas plants, etc. This business is particularly well developed in the Caribbean and French Guiana. For example, Colas Martinique is involved in the construction of GRESS 2 and 3, a six-turbine wind farm on the slopes of Mount Pelée, where it is building inter-turbine roads and facilities for transporting abnormal loads. Spac, the Group's subsidiary specializing in the construction and maintenance of water and energy networks, has won a contract for connecting part of the Dieppe wind farm, which consists of 62 wind turbines located 15-16 km offshore.

Colas has also established itself in the low carbon transportation infrastructure segment. Colas Rail is working on a number of carbon-free public transportation projects. For example, Colas Rail won a consortium contract to design, build, operate and maintain Line 1 of the Abidjan Metro, which will streamline travel and ease congestion in the city of Abidjan, as well as an initial contract to build a monorail for the future Line 3 of the Panama Metro in Panama City.

Lastly, to support development in lower-carbon transportation activities, in 2022 Colas set up a business line dedicated to active mobility (cycling and walking) within the Business Development and Marketing Department. This business line's mission is to map the active mobility market so as to identify opportunities, offer a range of tailored solutions and help entities establish the Group in this segment, which is growing fast in many countries.

2.1.2. Designing and promoting next-generation infrastructure

Colas' longstanding expertise in infrastructure puts the Group in a leading position to design and promote infrastructure that is safe, sustainable, accessible, shared and connected, as well as the new features such infrastructure can offer. Tools such as pavement inspection and BIM (a system for creating multidimensional, interoperable digital twins of structures under construction), backed up by partner ecosystems, bolster the development of these offers. Solutions span a number of areas, including sustainable infrastructure management (e.g., through performance contracts), local development in response to changing uses and the addition of new features to infrastructure.

Reducing the environmental impact, and in particular greenhouse gas emissions of infrastructures over their entire lifecycle, is now a priority. This estate management approach will also help to control the overall cost of infrastructures over the long term. In 2022, Colas launched a structured approach to developing services and solutions for the management of infrastructure estates on behalf of public and private sector customers. This approach involves promoting overall performance contracts. Implementing an estate management approach requires factual data on the state of the estate and, for some estates, means scheduling predictive maintenance over the long term. Colas offers a range of solutions to optimize road network maintenance using innovative inspection techniques such as those historically carried out by subsidiary Technologies Nouvelles, as well as a new computer-vision based tool called Infracare[®]. Colas' ability to determine the predicted laws of evolution for infrastructure projects on the basis of construction data, traffic conditions and even highly-contextualized weather conditions allows it to advise customers on the most economical multi-year predictive maintenance program in terms of the environmental impact and budget.

With changes in use, Colas helps to improve users' quality of life with its solutions that allow for better sharing of roadways between public networks and various forms of mobility, with for example Flowell, an interactive luminous signaling solution. Flowell was used in a number of trials in 2022, for example to improve user safety at a junction between a tram line, a road and a bike path on the La Doua university campus in Lyon and to improve safety at a pedestrian crosswalk in Portsmouth, UK.

Since 2015, Colas has also been developing its Wattway solution, which uses the roadway itself to generate solar power. In 2022, Toa Road and Colas Japan entered into a partnership to market Wattway Pack across the Japanese archipelago as a solution for powering roadside equipment and ensuring it can operate independently in the event of a natural catastrophe.

The Moov'Hub solution, in use at Paris-Saclay since 2019 under the name Park'in Saclay, allows for the dynamic management of public and private parking. The service was renewed in 2022 for a further three years. In addition, the Qievo solution, which is used to optimize truck traffic flows around construction sites in dense urban areas and limit disruption and environmental impacts, has been in use for over three years under the Reguly name to manage truck traffic around the Lyon Part-Dieu construction site. This solution has also been rolled out under the Fluideo name to regulate logistics flows around the site of the 2024 Paris Olympics Athletes' Village.

Colas has also developed its digital expertise. By processing data from vehicle routes, the ANAIS digital platform identifies risky areas and recommends and then monitors preventive management of road networks. This solution has been rolled out in French administrative departments and is to be used by National Highways in the United Kingdom in 2023.

Colas is also recognized as a leading name in BIM infrastructure projects and, in addition to responding to bids, is developing specific projects such as 2IN, its internal city information modeling (CIM) tool for sharing technical data on assets.

2.1.3. Involving stakeholders and promoting its CSR commitments

Colas builds strong relationships with stakeholders (including customers, engineering firms, investors, users and employees), working with them to develop sustainable solutions. The cornerstones of this approach are listening to customers' and users' expectations and promoting the Group's CSR strategy among our customers and partners.

To help it understand its customers, Colas uses a range of customer satisfaction measurement tools: In 2017, Colas France adopted a consistent approach to measuring customer satisfaction and its net promoter score (NPS) using a system under which each profit center surveys its clients at the end of each construction project and results are monitored over time.

Customers are now asking their suppliers and subcontractors to have their CSR performance assessed externally. This being the case, Colas meets the requirements of EcoVadis, the CSR performance assessment platform used by many companies around the world: Colas France updated its EcoVadis assessment in 2022, scoring 71 out of 100. Similarly, other Group entities updated their EcoVadis assessments: for example, Tersen and Spac achieved Gold and Silver status, scoring 70 and 64 out of 100 respectively. Colas profit centers are also committed to abiding by standards specific to their business areas. For example, CMSE and CMGO quarries in France are committed to the UEE (UNICEM Entreprises Engagées) program. In the United Kingdom, in response to customers' requests to assess the social value of its projects, Colas is using a dedicated system to quantify the economic impact of its initiatives in support of inclusion, local jobs, apprenticeships, etc.

Dialogue with stakeholders is established on a number of levels: At industry level through industry bodies and federations, and locally with customers.

Colas leverages industry bodies and federations to promote environmental, low carbon and circular solutions. For example, Colas France has signed an agreement between mobility infrastructure operators that lists 13 actions to reduce the footprint of construction sites in France. Another example can be found at Spac, which is a member of the "Abidjan ville durable" (Sustainable Abidjan) club in Côte d'Ivoire.

Alongside these approaches, Colas also works with its customers to develop its local ecosystem. In France, many profit centers have held Customer Days to present Colas' CSR approach and low carbon and circular economy products as well as offering Climate Fresco workshops for customers. Colas France's Northeastern region held a Circular Economy Day focused on efforts to reuse marine sediment at the Port of Dunkirk. Group subsidiary Spac has implemented a voluntary structured approach to meeting with key customers' CSR teams to help them build "best bid" criteria into their tenders covering low carbon and circular economy aspects. This approach has already produced tangible results. For example, one customer has implemented a scale for evaluating and comparing bidders' carbon performance.

To help profit centers put Colas' CSR approach into practice, the CSR Department has implemented an operational solution: a Q&A for responding to calls for tenders offering example answers to the most frequently asked questions. This Q&A can be accessed in all 14 languages available on ColasShare.

Colas also fosters relations with Bouygues group investors, in accordance with the standards set by Gaia, and plays a role in events such as the the Climate Markets Day.

2.2. Rolling out a low carbon and biodiversity strategy to preserve the planet

The climate emergency and the collapse of biodiversity are key challenges for the coming decades. Colas thus considers it of paramount importance to take a fresh look at how the Company operates around the world and make changes accordingly. Within this context, in December 2020, Colas announced an ambitious target to reduce its CO₂ emissions by 2030 relative to 2019 (baseline year):

- a 30% reduction in direct greenhouse gas emissions (Scopes 1 and 2);
- a 30% reduction across the entire upstream value chain (Scope 3a), which accounts for 85% of total emissions.

These targets have been validated in October 2021 in accordance with the methodology recognized by the Science Based Targets initiative (SBTi) in line with a well below 2°C trajectory compatible with the Paris Agreement.

The low carbon and biodiversity roadmap focuses on the following six main areas:

- incorporating climate change priorities into the Group-wide strategy;
- taking action to lower the carbon intensity of direct emissions;
- developing and promoting low carbon technologies and solutions;
- optimizing carbon accounting of operations;
- helping customers and users achieve carbon neutrality and reduce emissions;
- incorporating priorities related to biodiversity loss into operations.

The low carbon roadmap is spearheaded by the Environment Department *via* a Low Carbon and Biodiversity Committee made up of carbon sponsors appointed from each geographical business unit. These sponsors, who have been involved in determining action plans, are responsible for translating these plans into local action within their regions. This committee also includes representatives from central Group functions: Equipment, Purchasing, Business Development, Technical/R&D/Innovation and CSR. Environment correspondents are also involved in rolling out the roadmap within their entities, including in particular carbon accounting tools developed in 2022.

In 2021, low carbon capex and opex spend was determined for the following three years. The goal is to incorporate low carbon efforts into Colas' annual strategic reviews. Low carbon capex is identified and included in investment requests submitted by Colas entities each year. An application has also been implemented to recover low carbon opex by calculating the amount of CO₂ emissions avoided.

Colas has also quantified CO₂ savings arising from the various options already identified for achieving targets. These savings are reported in two waterfall charts covering Scope 1 and 2 energy consumption and the whole of Scope 3a. The Scope 1 and 2 waterfall chart has been produced by geographical BU and, more specifically, by country. These charts have been presented at CO₂ Days organized by the Equipment Performance Department. The Scope 3a waterfall chart broken down to entity level will be finalized in 2023.

2.2.1. Incorporating climate change priorities into the Group-wide strategy

Climate change has a direct impact on Colas in its markets, and in particular some of its traditional operations, while opening up new business opportunities. A Group-wide analysis of climate change-related risks and opportunities was undertaken in 2020 with the support of Carbone 4 in order to factor the initial findings into Colas' low carbon strategy. An educational film was produced in 2022 for Colas in Motion, a Group conference dedicated to CSR, clearly setting out the methodology and business transitions needed to respond to ecological challenges.

To successfully achieve this strategic transition, Colas needs to support its employees, mainly by means of training and raising awareness. A general campaign has been launched at Colas' various business units to raise awareness about climate change using the Climate Fresco program. Since the launch of Climate Fresco in September 2021, 5,878 employees worldwide have attended workshops led by 130 trained in-house facilitators (as of end 2022). This campaign will continue in 2023 with the aim of achieving the target – shared with the Bouygues group – of training all management-level staff by 2024.

In 2022, the Environment Department also developed Low Carbon Way, an "Infrastructure Fresco" designed to raise employee awareness of the impact of Colas' various activities. This workshop falls into two main parts. The first describes the value chain for the Group's businesses and sets out greenhouse gas emissions generated by each link in this chain. The second presents solutions developed by Colas to achieve its CO₂ reduction targets. A number of Colas managers attended this workshop at the Colas in Motion conference in 2022. Version 2 of the tool has been finalized and will be rolled out in 2023.

2.2.2. Taking action to lower the carbon intensity of direct emissions

One of Colas' targets is to cut its direct CO₂ emissions by 30% by 2030. To achieve this target, Colas is working to reduce its use of fossil fuels (in particular, reducing the energy consumption of asphalt mixing plants by means of operating excellence), improve the energy efficiency of equipment and machinery, make the transition towards lower-carbon energy sources (low carbon fleet), innovate in new, lower-carbon production procedures (alternative fuels, substitutes for heavy fuel oil) as well as support changes in behavior.

Colas has adopted a variety of measures to better manage its energy consumption:

- **reducing energy consumption at asphalt mixing plants:**
 - by using telematics to monitor energy consumption and asphalt production temperatures in real time,
 - by lowering asphalt mix production temperatures to achieve CO₂ emissions reductions of between 4% and 45% relative to warm mixes, depending on the type of product selected,
 - by replacing the asphalt plant burner fuels that generate the most emissions (fuel oil in particular);
- **reducing fuel consumption for vehicles and machines:**
 - by monitoring consumption *via* telematics fitted to more than 6,300 machines and 9,000 vehicles to improve the average utilization rate (by a target of +2% per year) and reduce idling rates. Colas is aiming to equip the entire vehicle and machinery fleet with onboard telematics by the end of 2030, with an idling rate of less than 20% for the fleet equipped with telematics,
 - by mobilizing the workforce through training in environmentally friendly practices for drivers (with the potential to reduce fuel consumption by 20%);
- **removing carbon from the fuel chain:**
 - by purchasing low carbon electricity,
 - through energy self-supply.

For example, in 2022 Colas France and Colas Belgium signed a green electricity contract covering all their electricity needs. Colas Belgium also installed three wind turbines at an industrial site and began the process of identifying all sites and buildings that might be suitable for roof-mounted solar panels. In Switzerland, all materials storage sheds (for storing sand and reclaimed asphalt pavement) at the Geneva asphalt plant are now equipped with solar panels. Colas has also kicked off a study aimed at quantifying the potential for installing solar panels at its quarries.

A number of initiatives were also implemented in France in 2022 under the banner of the energy savings plan. In particular, Colas France signed the EcoWatt and Ecogaz charters. To implement these initiatives, a network of energy savings correspondents work together, right down to the most local level in each region, with one person appointed at each profit center. This approach has made it possible to cascade energy saving starter briefings dedicated to different activities (industrial activities, quarrying, construction and offices) and monitor energy consumption at source.

Indicators	Scope	Unit	2020 ⁽¹⁾	2021 ⁽¹⁾	2022
Energy consumption from drying per metric ton of mix sold	World	kWh/t	81.5	80.9	79.6
Greenhouse gas emissions from drying at asphalt mixing plants per metric ton of mix sold	World	kCO ₂ e/t	18.6	19.2	18.8

(1) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The reduction in energy consumption from drying per metric ton of mix sold is the result of entities' efforts to improve processes for heating aggregates, mainly by:

- *lowering temperatures;*
- *controlling the moisture content of aggregates;*
- *monitoring consumption via telematics at asphalt plants.*

This trend has been observed in a number of regions (Colas France, Overseas France and the Indian Ocean, Morocco, Central Africa and West Africa, Europe, Latin America and Canada) and reflects initiatives on the low carbon and biodiversity roadmap.

The reduction in greenhouse gas emissions from drying per metric ton of mix sold is aligned with the corresponding reduction in energy consumption, which notably reflects the use of energy from less emissions-intensive sources (as a result of which emission factors by geographical region have been updated).

In addition, a number of actions were carried out on the mobile equipment fleet in 2022:

- *in France, 700 heavy vehicles were transitioned onto Oleo100, with a target of converting 70% of the heavy vehicle fleet by 2023;*
- *gradual electrification of the light-duty vehicle fleet, prioritizing those countries where electricity generation is less carbon-intensive;*
- *a ten-year program to replace the vehicle and machinery fleet with more energy-efficient equipment; furthermore, theoretical energy consumption is always taken into account when selecting new equipment for purchase.*

Indicators	Scope	Unit	2020 ⁽¹⁾	2021 ⁽¹⁾	2022
Percentage of vehicles with onboard telematics	World	%	27	30	33
Percentage of machinery with onboard telematics	World	%	34	34	37

(1) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The percentage of vehicles and machinery equipped with onboard telematics systems is continuing to rise, with an overall increase of 3 pts for vehicles and for machinery relative to 2021. This demonstrates the desire to improve monitoring of fuel consumption using the “My Equipment” digital platform. There was a particular focus on equipping machinery where operator behavior has a significant impact on drivers of fuel savings (idling rates, environmentally friendly driving, etc.). In 2022, 55% of the heavy vehicle fleet had on-board telematics.

2.2.3. Developing and promoting low carbon technologies and solutions

Seventy percent of Colas' carbon footprint derives from goods and services consumed in the course of its business. If it is to reduce its greenhouse gas emissions, Colas must therefore use low carbon products and techniques, including in particular those developed through its own focused research and development.

Existing low carbon solutions and techniques must then become known to customers, proposed in bids and, finally, selected. To this end, Colas' low carbon solutions and techniques were promoted by all French subsidiaries in 2022. For example, the Île-de-France region produced explanatory videos for its design offices and superintendents. In France, many profit centers also held Customer Days to present Colas' CSR approach and low carbon and circular economy products and ran Climate Fresco workshops for customers. In France, the Industry Department also implemented a system that uses Seve® data to identify CO₂ emissions per asphalt mix formula per asphalt plant. Mixes are classified on a scale from A to F, with the classification to be shown on asphalt mix data sheets.

Initiatives implemented to offer low carbon techniques and solutions to customers fall under three main themes:

- reducing the carbon intensity of asphalt mixes, concretes and hydraulic binders;
- increasing the reuse of recycled materials;
- purchasing low carbon materials such as hydraulic binders, concretes, cements, and so forth.

REDUCING THE CARBON INTENSITY OF ASPHALT MIXES, CONCRETES AND HYDRAULIC BINDERS

Colas has identified a number of actions to reduce the carbon intensity of those internally produced materials that generate the most emissions:

- increasing the proportion of lower-temperature mixes and using cold mixes to reduce emissions generated by heating aggregates. For example, Colas France's Western region produced 570,000 metric tons of cold asphalt mix in 2022;
- reducing the moisture content of inputs to limit drying times and associated energy consumption (e.g., by using storage sheds);
- incorporating recycled materials, including in particular reclaimed asphalt pavement, into hot and cold mixes, which directly reduces the use of binders, thus lowering the carbon intensity of mixes;
- using plant-based binders instead of bitumen to reduce the carbon footprint of finished products. For example, Colas France's Northeastern region built a more than 2 km stretch of “green road” in Senlis using Vegecol. Vegecol is a light-colored, visually appealing asphalt mix with a carbon footprint 70-90% smaller than traditional light-colored mixes thanks to the use of mostly bio-sourced binders. In 2022, Colas purchased more than 1,900 metric tons of bio-based binders and fluxing agents, up 30% from 2021, notably thanks to technical trials in various countries;
- lastly, reducing the carbon intensity of concrete produced in-house by using optimized formulas that lower binder content and promote the use of low carbon cements, depending on geographical availability and market maturity (metakaolin, organic mineral binders, etc.).

INCREASING THE REUSE OF RECYCLED MATERIALS

A circular economy approach also offers advantages in terms of reducing carbon emissions.

Thus, in-place recycling – which involves removing the asphalt mix from a road, mixing and adding a binder on site then repaving the road with the resulting mix – offers a number of environmental benefits:

- reducing CO₂ emissions by avoiding the need to transport materials to the worksite and by preventing the need to produce asphalt mixes;
- saving natural resources, notably aggregates, by reusing material removed from the road, which is recycled in place.

Generally speaking, encouraging the use of recycled materials is one of the main ways Colas can reduce its carbon footprint, particularly across Scope 3a.

PURCHASING LOW CARBON MATERIALS

As shown by the breakdown of its carbon footprint into significant sources (diagram below), Colas needs to reduce its indirect emissions (Scope 3a). Goods and services purchased for use in projects and production operations account for 70% of Colas' carbon footprint. This is mainly related to purchases of cement, concrete and precast concrete as well as purchases of bitumen. The initial priority is therefore to identify and purchase low carbon binders and concrete.

This initiative forms part of the Group's commitment under the ACT project to "Build a responsible supply chain rooted in sustainable performance", overseen by the Purchasing Department. Initial tender processes in France include criteria relating to CO₂ emissions, notably for hydraulic binders and ready-mix concretes ⁽²⁾. An example from France in 2022 is the T3 West tramway site in the Paris region managed by RATP where, with the help of its suppliers, Colas Rail implemented low carbon solutions, in particular to reduce the carbon footprint of concrete used in foundations and between tracks. Efforts were also made to use less carbon-intensive track ties, notably by reducing the carbon content of the two main components, concrete and recycled steel.

Depending on the use case, Colas also uses low-binder concretes that generate fewer emissions. The main use cases are concrete curbs and second-stage concrete used in road construction, as well as railroad ties.

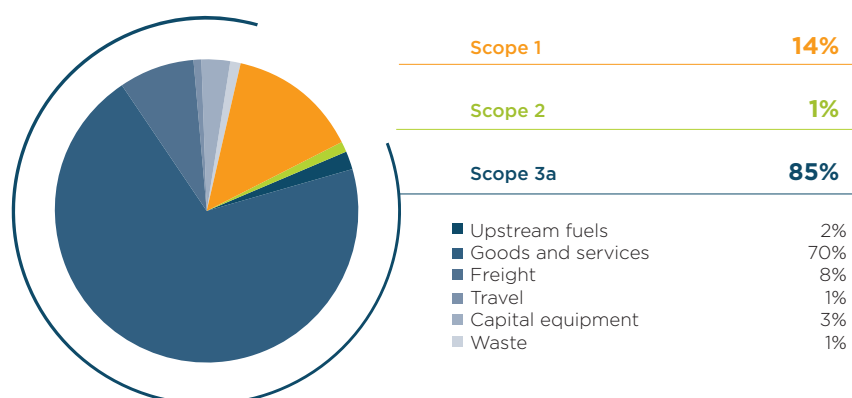
Every year, the Equipment Performance and Purchasing departments hold a Supplier Day – Construction Equipment Tenders, when Colas challenges its suppliers to reduce their greenhouse gas emissions.

A Purchasing Carbon Committee was also set up towards the end of 2022 to put in place a process for gathering and approving new alternative low carbon solutions. The purpose of this multidisciplinary committee is to identify products at source, monitor testing on the ground, approve environmental, economic, technical, sourcing and transportation aspects and, finally, sign off and circulate solutions.

2.2.4. Optimizing carbon accounting for operations

In 2022, Colas' carbon footprint was 11.2 MtCO₂eq, split between the following sources:

Breakdown of Colas' carbon footprint by source



(2) Ready-mix concrete.

For over ten years, Colas has been calculating the carbon footprint of its operations in accordance with the methodology set out in the GHG Protocol using physical flows linked to Scope 1 and 2 energy consumption. For Scope 3a, in 2022 Colas implemented a new carbon footprint calculation methodology based on physical flows and expenditure data retrieved from the Group's information systems. This new methodology uses a calculation approach that is based on key purchasing categories and can thus be more easily correlated with initiatives to reduce Colas' emissions.

In light of the ENCORDER⁽³⁾ Construction CO₂e Measurement Protocol "Guide to reporting against the Green House Gas Protocol for construction companies", Colas does not publish CO₂ emissions arising from the use of its products, for example in roads and railways.

Colas has also developed the Colas Carbon Counter to automatically calculate a construction project's carbon footprint both as work progresses and at completion and produce a report for the customer. This tool, which consists of a database of recognized and certified domestic and international data, automatically retrieves financial data on project expenditure and combines it with the relevant emission factors. Having been first rolled out to low carbon profit centers, the tool is now available in France and is being piloted in the United Kingdom. It will ultimately perform quantitative analysis of greenhouse gas permissions by project type.

Indicators	Scope	Unit	2020 ⁽¹⁾	2021 ⁽¹⁾	2022
Carbon footprint	World	MtCO ₂ e	- ⁽²⁾	- ⁽²⁾	11.2
GHG emissions – Scope 1	World	MtCO ₂ e	1.6	1.7	1.5
GHG emissions – Scope 2	World	MtCO ₂ e	0.1	0.1	0.1
GHG emissions – Scope 3a	World	MtCO ₂ e	- ⁽²⁾	- ⁽²⁾	9.6

(1) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

(2) The new methodology for counting Scope 3a CO₂ emissions is based on physical flows and expenditure data retrieved from Colas' information systems. Historical data stored in these information systems cannot be used to recalculate Scope 3a CO₂ emissions based on the new methodology.

The reduction in Scope 1 emissions is mainly the result of using energy from less emissions-intensive sources (chiefly by replacing heavy fuel oils and using biofuels, notably in France, Overseas France and the Indian Ocean region, Central Europe and Canada). The reduction in Scope 2 emissions is mainly the result of using carbon-free electricity, in particular through the purchase of Guarantees of Origin in France, Belgium and the United Kingdom.

In 2022, Colas implemented a new methodology for counting CO₂ emissions based on physical flows and expenditure data retrieved from its information systems. In particular, this methodology uses emission factors for purchased products, subcontracting, transportation, waste and capital assets. This new approach makes for a more accurate assessment of the Group's carbon footprint, taking into account the results of actions on the low carbon and biodiversity roadmap, as well as more accurately reflecting progress in other industry sectors (e.g., concrete and steel).

2.2.5. Helping customers and users achieve carbon neutrality and reduce emissions

For a number of years, Colas has been innovating to provide customers and end users with solutions in respect of low carbon construction, combating urban heat islands, green mobility and municipal services, and for managing and lowering energy usage. These areas all constitute business opportunities that Colas is keen to develop.

Colas' first priority is to lower its emissions. However, work is under way to identify how best to contribute to efforts to achieve carbon neutrality, including various carbon capture and sequestration projects in certain countries. Colas' teams in Iceland are keeping a close eye on carbon capture and storage and green hydrogen production projects. In Canada, similar projects are also being considered as a way to decarbonize industrial processes.

GREEN MOBILITY AND MUNICIPAL SERVICES

Colas helps local authorities deliver solutions that work towards sustainable cities. The Group develops alternative low carbon transportation infrastructure (tramways, cycle paths, etc.) and designs green mobility solutions (connections with public transportation networks, electric vehicle charging networks, shared parking with Moov'hub for Park'In Saclay, etc.). Colas also offers local authorities innovative urban services to optimize urban truck traffic (Qievo from Mobility by Colas) and dynamic signaling solutions promoting environmentally friendly driving (Flowell).

(3) Emissions arising from products during use (e.g., over the lifespan of a road) are not specifically measured under the ENCORDER protocol.

URBAN COOLING ISLANDS

In 2022, Colas continued its research and development work on the issue of climate change adaptation. The Group began work on developing solutions that promote the creation of urban cooling islands and “cool air itineraries”. Technical feasibility of an initial urban cooling solution that is particularly well suited to maintaining existing infrastructure is currently being trialed. Colas has also invested in developing a demonstrator in southeastern France that should make it possible to implement a systemic overall approach to the issue of urban heat islands and sustainable urban water management. At the same time, Colas continues to develop its expertise in microclimate modeling and instruments for measuring the performance of urban cooling solutions *in situ*.

PROMOTING RENEWABLE ENERGIES

Colas continues to develop Wattway by installing “Wattway Pack”, which provides turnkey solutions for autonomously producing, supplying and storing renewable energy for roadside equipment (electric bicycle charging points, security lighting for pedestrian crossings, cameras, bicycle counters, etc.). To boost its marketing, Wattway has entered into partnerships with equipment suppliers such as start-up Nielsen Concept, which makes a secure, connected bicycle shelter named Mobypod. In 2022, Toa Road and Colas Japan entered into a partnership to market Wattway Pack across the Japanese archipelago as a solution for powering roadside equipment and ensuring it can operate independently in the event of a natural catastrophe.

At the same time, Colas is working to establish Wattway in a second market: self-supplied renewable electricity for industrial and commercial sites with large parking areas.

USE OF ALTERNATIVE FREIGHT

Colas reduces its CO₂ emissions from freight by using rail and inland waterways as alternatives to road haulage for its own transportation requirements. In 2022, the quantity of materials transported *via* alternative methods was equivalent to around 260,000 truckloads weighing 30 metric tons each. For example, Spac subsidiary Colas Environnement has implemented a system for removing earth by river rather than road. This approach was used to transport 4,000 metric tons of earth some 211 km along the Pont-Saint-Maxence construction site in Oise.

Indicators			2020 ⁽¹⁾	2021 ⁽¹⁾	2022
Number of metric tons of materials transported by rail and/or waterway	World	Mt	6.9	7.3	7.7
Average number of kilometers traveled by rail	World	km	344	315	287
Average number of kilometers traveled by waterways	World	km	413	488	513

(1) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The quantity of materials transported by rail and/or waterway was higher than in 2021, particularly in France, notably due to a significant investment in quarries in northeastern France, with railway branch lines connecting directly to quarries. The average number of kilometers traveled held steady, with around 300 km traveled by rail and 500 km by waterway. This equates to a saving of almost 260,000 30-tonne truckloads.

2.2.6. Incorporating priorities related to biodiversity loss into operations

Colas is pursuing a number of initiatives in support of biodiversity as part of its low carbon and biodiversity roadmap. These initiatives fall into the following six areas.

MOBILIZING THE WORKFORCE THROUGH AN AWARENESS-RAISING PROGRAM

Internally, Colas rolled out a biodiversity e-learning module and ran a number of Biodiversity Fresco awareness workshops throughout the year. For example, more than 90 people in France attended Biodiversity Fresco workshops in the Île-de-France Normandy region in 2022. Colas also held an Environment Day focused on challenges related to the collapse of biodiversity. In Canada, Miller will help plant 115,000 trees over the next ten years as part of a government reforestation program designed to build resilience to climate change.

Externally, international sponsorship with Kinomé, the ONF and Impactum continued in 2022, with tree-planting campaigns in France and Côte d'Ivoire. This innovative tree-planting project is designed to make young people more aware of the importance of protecting biodiversity. Selected forests are included in programs that support biodiversity and climate change adaptation through careful choice of species.

WORKING TO PROTECT AND RESTORE HABITATS AND SPECIES

The Quarry Biodiversity program continued in 2022 for quarries and gravel pits and is to be extended to the Group's other stationary activities. This program aims to implement actions that support biodiversity with scientific backing from biodiversity experts, for example ecologists, based on an approach of educating local populations (residents and employees), notably through local partnerships (e.g., working with the ONF to plant trees and with the LPO to monitor specific bird species such as the bank swallow). Initiatives are then communicated in an accessible way both in-house and externally to raise awareness of biodiversity issues as widely as possible. The target is for all stationary sites to have at least one biodiversity initiative in place by 2030.

For example, in 2022:

- ecologists monitored sites belonging to Société des Carrières de l'Est in France and produced a biodiversity book documenting species observed and action taken;
- pre-implementation studies were carried out at around 15 sites in the Île-de-France region to identify local species and required action such as the creation of a pond on the site of the Val-de-Reuil profit center;
- various actions were undertaken as part of the BRT construction project in Cayenne, such as transplanting wild pineapples, planting 200 meters of mangroves and creating a retention basin in Montabo (planted with local species) to prevent flooding; this basin was designed to encourage nesting (with 3,000 plants and two artificial islands).

DEVELOPING ECOLOGICAL ENGINEERING WORKS

Ecological engineering encompasses all techniques and projects aimed at making ecosystems more resilient and protecting biodiversity. Colas capitalizes on its expertise (in earthworks, development, hydraulic engineering, demolition, decontamination, etc.) and is developing its ecological engineering expertise alongside local businesses that specialize in the field. Ecological engineering projects can be aimed at renaturing and restoring watercourses (re-meandering, creating riverbanks, placing rockfill and removing sills, box culverts and footbridges) or restoring ecological continuity (by creating corridors, green and blue belts, wildlife crossings, etc.). Colas has played an active role in the work of Union Professionnelle du Génie Écologique (UPGE), a federation of ecological engineering firms.

Examples of achievements in France in 2022 include the following:

- work to restore ecological continuity at the Orbiquet/Graindin hydraulic complex in Lisieux, including the creation of a rockfill ramp, an eel ladder and a water separation structure;
- technical discussions with UPGE members about the Saint-Pierre-Aigle quarry, a site that is being redeveloped for agricultural use. A number of ecological actions have been taken, such as maintaining fallow pastures, creating ponds and swales, planting hedges, etc;
- the project to regenerate the Duralex brownfield site in Rive-de-Gier, involving Perrier TP for earthworks and ecological engineering, Colas Environnement for decontamination, the Colas TPCF profit center for networks and river works and the Colas Saint-Etienne profit center for roads and main services; the work included extracting more than 90,000 cubic meters of earth, restoring the watercourse, securing the site against flooding and creating wooded areas and greenways;
- ecological engineering works carried out by Colas Côte d'Emeraude on behalf of Syndicat des Bassins Côtiers de la région de Dol-de-Bretagne, including work to reroute, re-meander and renature the watercourse, create ponds and fords and remove waste.

RESPONDING TO THE CHALLENGES POSED BY SOIL SEALING AND LAND TAKE

Colas develops and promotes techniques for renaturing land and alternative techniques (creating landscaped swales and infiltration basins and using Urbalith/drainage solutions). In 2022, Colas participated in Vertuo's project to install a solution that replicates the natural water cycle in an urban environment, called "Urban Bocage". This project aims to reduce the risk of flooding in environments that are already or are becoming highly urbanized.

COMBATting THE SPREAD OF INVASIVE ALIEN SPECIES

Colas can unintentionally propagate invasive alien species on its sites and construction projects. In response to this issue, it has carried out inventory and monitoring work and delivered employee training. The literature is monitored for new techniques in relation to invasive species. Treatment trials have begun for some species, such as Japanese knotweed. In 2022, the Environment Department launched a trial in the Île-de-France Normandy region with a partner, Aquabio, using mild methods to eradicate invasive alien species; target species at the Triel-sur-Seine site included Japanese knotweed, datura, ragwort and pokeweed.

CONTROLLING AIR, WATER AND SOIL POLLUTION

Through its roadmap, Colas is currently committed to “Reducing the impact of activities to bolster acceptability” by avoiding all forms of environmental pollution so as to preserve ecosystems. The goal is to control the risk of pollution arising from the Group’s activities, such as air, water and soil pollution, which could damage the environment and adversely affect biodiversity. The relevant commitments and tools are set out in the section of this document titled “Reducing the impact of activities to bolster acceptability”.

Indicators	Scope	Unit	2020 ⁽²⁾	2021 ⁽²⁾	2022
Percentage of CAE ⁽¹⁾ from aggregate production activities that take action to promote biodiversity	World	%	43	54	35

(1) CAE: revenue + intra-Group transactions and disposals.

(2) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

Significant change in the share of CAE from aggregate activities that take action to promote biodiversity is due to:

- Stricter data collection requirements,
- Implementation of new non-financial (CeS@R) and environmental (ECHO) reporting systems based on a new repository of Colas structures.

Despite the unusual situation created by the various methodological changes made during the year, initiatives in support of biodiversity are long-lasting and remain a priority in the “Low carbon and biodiversity” roadmap within entities.

2.3. Promoting circular economy solutions to preserve natural resources

In 2018 ⁽⁴⁾, the construction sector was responsible for 70% of the 342 million metric tons of waste produced in France. In response to this issue, Colas has identified many ways to support the circular economy in its industry sector that provide environmental and economic benefits.

As one of the world’s leading recyclers, Colas recovers and recycles, at more than 400 recycling facilities ⁽⁵⁾, demolition waste and materials from its infrastructure sites across the world as well as waste from other industries. By reusing these recycled materials as secondary raw materials in its construction projects, Colas helps to preserve natural resources and to limit the need to open up new quarries and the amount of site waste that needs to be disposed of.

The commitment “Promoting circular economy solutions to preserve natural resources” focuses on four main areas:

- rising to the challenges of the circular economy across the Group;
- investing in R&D and local partnerships to recycle materials;
- developing and promoting the use of recycling platforms;
- offering customers circular economy solutions.

This commitment is by nature highly dependent on the local context and cuts right across Colas’ activities (from materials production and industrial activities to on-site construction work). Its oversight is therefore mostly decentralized, supported by strategies defined locally in response to local challenges.

(4) ADEME data published in 2018.

(5) Stationary and mobile recycling platforms.

2.3.1. Rising to the challenges of the circular economy across the Group

Colas is working to address the challenges of the circular economy across the Group so as to embed behavioral change at the individual, Group and industry levels. To achieve this, Colas mainly uses a mix of training and awareness-raising activities together with day-to-day actions at the local level.

To raise employee awareness of circular economy principles, a Colas Forum talk was organized in September 2022, to coincide with Sustainable Development Week, given by the Director of L'Institut National de l'Economie Circulaire (National Institute for a Circular Economy). This talk was watched by over 5,000 people in both French and English.

In addition, Colas helped set up in 2021, with the Bouygues group, the Global Circular Economy Chair, the first international chair dedicated to the circular economy. The purpose of this chair is to train future Chief Circular Officers who will help organizations transition to a circular economy model. Through this partnership, Colas is working to identify solutions that can be operationally implemented across its business, notably by providing case studies for students and taking part in training them. In 2022, a group of four students worked on opportunities to expand the use of reclaimed asphalt pavement.

Lastly, at the Colas in Motion conference, 700 Colas senior executives attended a circular economy masterclass hosted by Circle, a consulting firm with expertise in the field. The goal was to promote a better understanding of the economic, social and environmental impact of a circular economy approach in the construction sector and to encourage action in this area.

2.3.2. Investing in R&D to recycle materials

The circular economy has always been a core area of research and development at Colas. The main focus is on in-place recycling of road surfaces, recycling of asphalt mix, the use of alternative materials, research into additives and binders based on industrial co-products and by-products, and bio-sourced bitumen replacement materials, such as oils and plant resins.

Colas incorporates eco-design principles into its research and development activities: in 2022, the Core Center identified tools to be incorporated into its project management process to ensure an ecologically friendly approach to design. This approach will be used for all future research projects so as to reduce the environmental impact of products throughout their life cycle (from extraction of raw materials through to production, distribution, use and end of life).

In the circular economy field, adopting a partnership-based approach is key. Colas is developing partnerships at various levels, some academic and regional in nature and others working with start-ups.

Colas enters into academic partnerships with other research centers, usually with a technical focus. For example, Colas France has for many years partnered with the EcoSed research chair at the IMT Mines engineering school in Douai, focusing on the recovery of marine sediments. This research and development work has produced tangible results: for instance, 36,000 metric tons of marine sediment dredged from the port was reused on the Flanders Quay construction site at the Port of Dunkirk.

Many local partnerships have also been formed with manufacturers and suppliers to reuse their waste products in road construction. For example, Colas France's Limoges profit center has developed asphalt mixes that reuse porcelain waste, while in Canada, Colas subsidiary Terus has replaced part of the raw materials used in its asphalt mixes with tire residue. These examples are consistent with an industrial and territorial ecology (ITE) approach, where industrial waste becomes a raw material for Colas, in keeping with circular economy principles.

Lastly, Colas follows an open innovation approach. Start-ups pursuing innovative circular economy approaches in the construction industry are heavily focused on offering innovative products. The Group participates in trials that have the potential to evolve into partnerships that are mutually beneficial for both the start-up in question and the Group. An example is the Microhumus process, used to turn quarry waste into topsoil with higher added value.

2.3.3. Developing and promoting the use of recycling platforms

One of the key challenges posed by the circular economy is the need for dense geographical coverage: being close to both consumers and materials to be recycled is key. Colas focuses in particular on developing recycling platforms and multi-activity platforms (quarrying, recycling, etc.), with several hundred stationary and mobile recycling facilities worldwide.

Colas France's Ile-de-France Normandy region has for the past several years developed a strong strategic focus underpinned by circular economy principles: in addition to dismantling operations to capture upstream inputs, the region has a network of around 40 local recycling facilities and sorting platforms for commercial users, all of which help process recyclable materials for subsequent reuse in its construction projects. This approach is backed up and promoted by its subsidiary Tersen, established in 2021 to bring together all recycling, sorting and inert waste management operations in the region.

In 2022, Colas France also launched two new service offerings based on its network of Eco-tri and Valormat sorting and recycling platforms and aimed at these platforms' different customer segments, ranging from small-scale traders to large construction firms. On average, these external customers account for 70% of the Group's customer base in the materials industry. Between

now and 2026, the Group aims to achieve a 50% increase in the volume of materials recycled through this network of 160 platforms. Projects to develop recycling and sorting platforms are also under way in other countries to supplement and boost coverage and expand recovery efforts. In 2022, the Colas Group recycled 11.4 million metric tons of materials *via* its platforms – equivalent to the output of 45 medium-sized quarries.

Furthermore, as a continuation of its approach to recycling materials, in 2021 Colas became a shareholder in ECOMINERO, an eco-organization established by operators in the industrial minerals sector to help producers meet their EPR⁽⁶⁾ obligations in respect of “Construction sector products and materials”. ECOMINERO enables holders of inert waste to dispose of their sorted waste at no cost. Its goal is to achieve a waste recycling rate of 90% by 2028.

Lastly, Colas is also expanding in the field of digital platforms: For example, Colas France’s demolition subsidiary Premys has put in place a digital platform that promotes reuse by facilitating the resale of demolition materials to give them a second life. Alongside Bouygues Construction, Premys is also involved in Cynéo, a project to create a digital platform that will pool existing tools promoting the reuse of materials.

2.3.4. Offering customers circular economy solutions

Colas’ work centers play a key role in the circular economy by:

- drawing on environmentally friendly alternatives to offer solutions that extend the service life of roads or preserve resources, such as in-place recycling;
- limiting and managing the amount of waste generated by each worksite;
- offering solutions for recovering and recycling materials.

DRAWING ON ENVIRONMENTALLY FRIENDLY ALTERNATIVES TO OFFER SOLUTIONS THAT EXTEND THE SERVICE LIFE OF ROADS OR PRESERVE RESOURCES

Colas offers solutions that are directly aligned with circular economy principles, for example to extend the service life of roads and reuse materials. Colas provides its sales and design office staff in these techniques, which are then included in bids, for example in the form of environmentally friendly alternatives.

For example, in Australia Colas proposes the use of sealcoating, where a sealant is applied to road surfaces to extend their service life. Colas also uses in-place recycling techniques where materials recovered from the previous infrastructure are reused directly in road construction. This process, used in particular in France under the Recycol brand, was used in 2022 to resurface three streets in the city of Coventry, United Kingdom: the Seve[®] eco-comparison tool was used to quantify CO₂ and materials savings before work began. In Canada, the Group’s subsidiary Miller ran an employee training webinar during Sustainable Development Week highlighting the commercial and technical benefits of this process and explaining how it can help protect resources and limit transportation requirements. In another field, drainage, staff at Colas’ Valence profit center use trenchless rehabilitation techniques when carrying out piping work. This makes it possible to maintain infrastructure while significantly reducing the need to excavate and treat materials.

LIMITING AND MANAGING THE AMOUNT OF WASTE GENERATED BY EACH WORKSITE

Limiting the amount of waste generated by each worksite and seeking solutions for reusing waste has both economic and environmental benefits and is consistent with a circular economy approach. Colas’ worksite crews offer solutions aligned with this approach at both the design and construction stages. For example, various practices were used to limit waste on the Luxembourg airport project, resulting in a 70% waste recycling rate (by volume) over the life of the project, rising to 100% for scrap metal. In particular, concrete from demolition was recycled in place together with 25,000 metric tons of scraped materials. To manage and promote the reuse of excavated earth, Colas France has developed BlaBlaMat, a system for managing and exchanging earth between sites, thus facilitating its reuse.

OFFERING SOLUTIONS FOR RECOVERING AND RECYCLING MATERIALS

Collecting reclaimed asphalt pavement and using it in asphalt mixes contributes both to the Group’s low carbon commitment and to its circular economy commitment. When renewing industrial facilities, Colas thus designs installations to facilitate and develop the recycling of asphalt pavement. The recent plants at Bonneville in Haute-Savoie and LEB in eastern France can produce asphalt mixes containing up to 70% reclaimed asphalt pavement.

On average, 17.5% of reclaimed asphalt pavement was reintroduced into hot asphalt mix produced by the Group in 2022, resulting in the reuse of almost 290,000 metric tons of bitumen – equivalent to the bitumen output of a medium-sized refinery. The reality differs from country to country, with local regulations sometimes limiting recycling opportunities. Conversely, the situation is more favorable in some local environments, with countries in the EMEA region such as Denmark and Belgium achieving rates of over 31% and 26% respectively.

(6) Extended Producer Responsibility.

Colas profit centers also develop and employ solutions for reusing production waste and waste from local operations. One example is the Colstab Ostrea technique, developed with the Sète (France) profit center in partnership with local authorities, for recycling oyster shells crushed into stabilized sand for pedestrian and cycle routes.

Colas' non-road businesses are also delivering on this circular economy commitment in accordance with their own key priorities: for example, at some of its sites in the UK, Colas Rail has replaced wooden railway ties with recycled plastic ties covered with fiberglass. This has the dual benefit of both preserving materials and shrinking the product's carbon footprint.

Indicators	Scope	Unit	2020 ⁽¹⁾	2021 ⁽¹⁾	2022
Quantity of materials recycled	World	Mt	- ⁽²⁾	- ⁽²⁾	11.4
Percentage of reclaimed asphalt pavement used in hot and cold mixes sold	World	%	16.1	16.5	17.5

⁽¹⁾ 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

⁽²⁾ Values for 2020 and 2021 cannot be recalculated using the new definition of this indicator (see comment below).

In 2022, Colas redefined and updated the method used to calculate this indicator, which henceforth corresponds to the sum of aggregates recycled (by screening, crushing or other treatment) and the amount of reclaimed asphalt pavement used.

The percentage of reclaimed asphalt pavement used in hot and cold mixes increased by 1 percentage point in 2022. This is mainly due to a significant increase in the amount of reclaimed asphalt pavement added to hot mixes across all regions, in keeping with actions included in low carbon and biodiversity roadmaps and circular economy principles. This also reflects worldwide improvements in the management of reclaimed asphalt pavement.

2.4. Reducing the impact of activities to bolster acceptability

Colas' activities are firmly rooted in the regions and local areas where the Group operates. Local residents, users and customers all expect Colas to limit the impact of operations. Colas draws on its expertise to limit environmental and other impacts associated with its construction materials production activities and its construction projects.

As part of its ACT corporate plan, Colas has drawn up an impact and acceptability roadmap with the goal of better integrating its activities at the local level. This roadmap is broken down into the following two key priorities:

- reducing the environmental impact of operations (water, soil, air, odors, dust, waste, noise and vibrations);
- improving the social acceptance of our facilities and worksites.

This commitment is overseen by the Environment Department and promoted within entities by the Environment network, which helps operational staff implement initiatives. This Environment network, set up more than 20 years ago, has gained expertise in various environmental issues, environmental management, and associated regulations and standards, which it helps operational staff put into practice. The Environment network also meets several times a year to monitor progress, move forward with the roadmap and share best practice from across the Group.

2.4.1. Reducing the environmental impact of operations (water, soil, air, odors, dust, waste, noise and vibrations)

ENVIRONMENTAL POLICY

Colas renewed its environmental commitment in 2022 by implementing an Environment Charter that reiterates the Group's aims and objectives for reducing the environmental impact of its activities. This charter sets out three principles for action:

- reducing the environmental impact;
- reducing greenhouse gas emissions from activities;
- protecting the environment and species at each site.

The Environment Charter was presented to Colas' senior executives at Colas in Motion, the Group's CSR conference, in May 2022. Environment officers use ACT roadmaps to help entities put the charter into practice at the operational level.

To reduce the environmental impact of its operations, Colas uses the following processes and tools:

Environment checklists: in use internationally for over 20 years, these checklists enable stationary sites to self-assess their environmental management. Previously in Excel format, they are now available online *via* the ECHO app, which serves to centralize all information captured *via* checklists. In 2023, ECHO will help improve the content of environmental checklists, notably by identifying environmental standards and key requirements to be met on sites and construction projects to tighten up management of environmental risk. The checklist is mandatory in all circumstances and helps manage impacts where a site is not certified. The target is for all sites to be using the checklist to undertake self-assessments by 2030.

Environmental certification: sites and construction projects with environmental certification (ISO 14001, UNICEM charter, EMAS, NAPA Diamond, etc.) use various environmental management tools such as environmental analyses, dashboards and preventive action plans.

Assessment tools: for its projects, Colas also takes into account environmental issues of its products and services. This entails, in particular, carrying out lifecycle analyses for some products (e.g., Vegecol[®]), offering alternatives that are more environmentally friendly than standard solutions (for example with the help of the Seve[®] software). An English language version of Seve[®] was developed by trade body "Routes de France" and is currently being used by Colas UK to promote environmentally friendly alternative solutions to its customers. For example, on an asphalt paving project in Coventry (United Kingdom), Seve[®] calculated that using the Recycol in-place road recycling process had reduced the amount of CO₂ by 71% compared with the conventional solution.

Moreover, in accordance with regulations, major projects always include specific arrangements for safeguarding against environmental risks (e.g., Environmental Protection Plans). An example is the bus rapid transit (BRT) construction project in Cayenne (French Guiana).

Audits: alongside these various tools, inter-subsidiary environmental cross-audits are carried out in Belgium, Mainland France and Switzerland by specially trained internal auditors. This approach ensures that sites and construction projects are evaluated and provides opportunities to strengthen environmental risk prevention measures and share best practice among subsidiaries. It is in the process of being rolled out internationally, notably in Canada, where an initial pilot rollout took place in some regions in 2022, with a network of around 20 auditors trained and ten or so audits undertaken across all the Group's Canadian subsidiaries. Thanks to the success of this pilot, this audit approach will be rolled out to other Colas geographies in 2023.

Indicators	Scope	Unit	2020 ⁽²⁾	2021 ⁽²⁾	2022
Percentage of CAE ⁽¹⁾ from materials activities managing their environmental impacts (Colas environmental checklist)	Materials activities (World)	%	80	85	84

(1) CAE: revenue + intra-Group transactions and disposals.

(2) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The proportion of materials activities managing their environmental impacts held steady despite the introduction of a new system for managing environmental impacts (ECHO). This shows that entities are keen to prioritize the use of environmental checklists at sites with the highest CAE.

ENVIRONMENTAL TRAINING AND AWARENESS

To implement these tools and processes and improve environmental management at Colas sites, employees need awareness-raising and training in environmental protection. This involves a range of actions:

ColasShare: Colas has created an organized sharing platform where the Group's business lines can share their expertise and experience. A dedicated Environment community ensures that information, feedback and tools are accessible to all employees. Colas also makes available around 20 themed factsheets drawn up by experts from the Environment network and other areas relevant to the subject in question. Topics covered include, for example, water management and odor management techniques.

Group training (Uni1, e-learning): The Environment Department also delivers training in environmental issues as part of Colas in-house training programs, in particular, business-line-specific training (soil and water pollution, waste management and acceptability). Two new modules were launched in 2022, covering climate issues and biodiversity. The Environment Department also participates in Colas University courses, where it presents the roadmap for reducing environmental impacts and makes young employees aware of the importance of protecting the environment and ensuring the Group's activities meet acceptability standards. As of end 2022, more than 2,000 employees had completed the environmental e-learning module.

Biodiversity Day: in June 2022, Colas held its second Environment Day to raise employee awareness of issues surrounding the collapse of biodiversity. Events included 15-minute environment briefings at all construction sites as well as webinars. The goal was to bring employees together to think about diversity through dialogue and discussion on the ground. Practical sheets with tangible actions to be implemented on sites and construction projects were also designed and distributed. These materials are made available to all employees *via* the ColasShare Environnement platform.

15-minute QSE briefings: for example, staff working on Colas worksites attend regular 15-minute QSE briefings designed to raise workers' awareness of safety and environment-related issues specific to the work in progress. These briefings cover issues including waste, risks of accidental spillage, energy-related risks and, more recently, climate issues and biodiversity.

Upskilling (experts) (EOCE, ISO 14001, audits): the Environment Department also has a goal of upskilling its experts. Colas trains members of its network through in-house training on subjects such as environmental audit and ISO 14001 certification as well as the EOCE collaborative training program for environment officers, which will be relaunched in 2023.

REDUCING ENVIRONMENTAL IMPACT

Efforts to reduce the Group's environmental impact mainly focus on the following activity-specific areas:

- discharges and emissions;
- managing liquid products liable to cause soil and/or water pollution;
- nuisances: odors, dust and noise;
- water management and water stress;
- waste.

Furthermore, work began in 2021 to draw up minimum environmental standards to be rolled out across the Group by 2023.

Airborne discharges

Discharges and emissions as a result of Colas' activities can cause air pollution. Such discharges are mainly linked to industrial activities at some stationary sites. Environmental checklists are used to make sure such discharges are properly managed and a range of initiatives is in place to ensure that this is the case. For example, asphalt mixing plants tend to generate smoke when in operation. To reduce or eliminate such discharges, sites can lower their production temperatures and optimize filter and burner maintenance. Construction site equipment has been fitted with fume and dust extraction systems.

For example, in 2022, 85% of asphalt mixing plants regulated and conducted annual maintenance of the burners on their asphalt dryers and 64% of asphalt mixing plants undertook the annual measurement of airborne discharges *via* the flue (based on data from environmental checklists).

Indicators	Scope	Unit	2020 ⁽¹⁾	2021 ⁽¹⁾	2022
Percentage of finishers equipped with a bitumen fume extraction system	World	%	67	71	80
Percentage of asphalt planers equipped with a dust extraction system	World	%	60	59	67

⁽¹⁾ 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The percentage of finishers equipped with a bitumen fume extraction system increased by 9 percentage points in 2022, while the percentage of asphalt planers equipped with a dust extraction system increased by 8 percentage points. Installation rates are rising as equipment is replaced: the purchase specifications for finishers and asphalt planers require them to be fitted with such systems.

Managing liquid products liable to cause soil and/or water pollution

Liquid products are often stored and used at stationary sites and on worksites. Special care is taken when storing such products: the environmental checklist, which applies to all stationary sites, sets out the requirements and is used to determine whether a site is compliant and meets all criteria relating to the proper management of waterborne discharges. These requirements mainly relate to sealing sensitive areas of sites, collecting effluent and directing it to treatment points, installing retention and sludge separation facilities equipped with closing systems, and installing sealing systems to isolate sites in the event of a spillage.

For example, in 2022, 38% of sites had one or more systems in place to ensure that, in the event of an accidental spillage or fire, they could be isolated from the external environment (based on data from environmental checklists).

Nuisances: odors, noise and dust

Colas' activities may generate pollution in the form of odors, noise and dust. Such nuisances are among the points covered by internal environmental checklists. Nuisance measurements are taken at stationary sites to verify regulatory compliance.

A number of actions have been taken concerning the following issues, for example:

- Odors: for the past several years, odor treatment systems have been installed on sites liable to generate pollution affecting residents. To deepen the Group's understanding, work has been done to measure the effectiveness of such odor treatment systems; at the same time, work is ongoing to identify additives to reduce pollution and a benchmarking exercise is being undertaken to identify other odor treatment solutions. A themed information sheet is also available listing steps to be taken to limit the impact of odors on sites;
- Noise: solutions for reducing noise on worksites are set out in a themed information sheet covering steps to be taken to reduce environmental impacts. Examples include adjusting working periods, installing idle cut-offs on machinery and using equipment fitted with noise shields;
- Dust: solutions are in place to reduce emissions and the spread of dust around sites (sprays, green walls, windshields, scrubbing, etc.). These actions have been proposed by Environment experts and the Equipment and Quarries departments;
- Traffic/accessibility: construction work can give rise to additional disruption affecting residents, particularly in built-up areas, such as road traffic congestion. To limit these disturbances, Colas provides innovative solutions such as Qievo, which guides trucks to follow specific routes while reducing traffic congestion;
- Aximum also markets its "Journey Time" solution, which dynamically displays journey times for different routes bypassing construction sites. This helps streamline flows and limit the impact on traffic close to sites as well as reducing vehicle emissions.

Water management and water stress

Water consumption is more important in some parts of the world than in others. Generally speaking, Colas must analyze and take into account local water constraints. As well as being one of the criteria included in applicable environmental standards, water management is also covered by regulations and checklists.

Colas introduced indicators to measure and limit the pressure exerted on water resources by its operations in regions where water is extremely scarce. In order to limit the pressure exerted by Colas on water resources in these regions, action plans aim to increase subsistence consumption of water, encourage recycling and reduce waste.

The methodology used to assess the Colas operating regions concerned is based on the interactive Overall Water Risk - Baseline Water Stress map published on the website of the World Resources Institute.

In 2022, water consumption at stationary Colas facilities in areas subject to extremely high-water stress is estimated to have been nearly 900,000 cubic meters.

Indicators	Scope	Unit	2020 ⁽²⁾	2021 ⁽²⁾	2022
Percentage of CAE ⁽¹⁾ from stationary activities located in areas facing extremely high water stress	Stationary activities ⁽¹⁾ (World)	%	6	6	6
Water self-sufficiency rate of areas facing extremely high water stress	Stationary activities (World)	%	41	79	91
Percentage of CAE ⁽¹⁾ generated by activities in areas subject to extremely high water stress covered by an action plan	Stationary activities (World)	%	56	51	60

(1) CAE: revenue + intra-Group transactions and disposals.

(2) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The percentage of stationary activities (in terms of CAE) located in areas facing extremely high water stress remains stable, in line with the coverage of the regions in which Colas has a presence. At the same time, there has been an increase in the number of action plans put in place at Colas sites located in extremely water-stressed areas and a sharp increase in the water self-sufficiency ratio in water-stressed areas.

Waste

Waste generated by Colas' activities includes inert waste (mostly from the demolition of roadways and buildings), non-hazardous non-inert waste (also from demolition, such as metal, wood and plastic) and excavation material. Environmental management systems and internal checklists are used to ensure that such waste is managed responsibly. Themed information sheets are also provided covering the management of both inert waste and non-hazardous non-inert waste. A significant proportion of demolition waste is recycled in the normal course of Colas' operations. These activities may be achieved by recovering materials from demolished infrastructure (concrete, asphalt mix, etc.), but also by reusing waste or by-products from other domains: incineration clinker, blast furnace slag, plastic waste, refinery bitumen, debris, etc.

Indicators	Scope	Unit	2020 ⁽²⁾	2021 ⁽²⁾	2022
Percentage of CAE ⁽¹⁾ from materials production activities with a waste management system in place	Materials activities (World)	%	-	-	58

(1) CAE: revenue + intra-Group transactions and disposals.

(2) This indicator was created in 2022, so no data is available for 2020 and 2021.

Colas materials production sites are considered to have a waste management system if the following are in place:

- register of on-site waste for checking compliance of waste treatment or elimination processes and ensuring traceability through to final disposal (destruction or recycling);
- a clean waste collection area;
- labelled waste sorting containers;
- hazardous waste correctly separated from non-hazardous waste.

All of the above are specified in the environmental checklist and must be checked annually at Colas materials production sites.

2.4.2. Improving the social acceptance of our facilities and worksites

Social acceptance is key to the long-term viability of Colas' business and goes hand in hand with environmental excellence. That being the case, Colas has incorporated two specific areas of focus into its roadmap: fostering local dialogue, particularly with residents living in close proximity to sites, and maximizing and highlighting socioeconomic benefits to promote acceptance of the Group's activities at the regional level.

IMPROVING LOCAL ACCEPTABILITY THROUGH LOCAL DIALOGUE AND DEDICATED TOOLS IN THE IMMEDIATE VICINITY OF SITES

Securing acceptance of production sites and worksites by local residents is a key priority for the Group. Colas has therefore taken action to foster local dialogue in the vicinity of its sites and construction projects.

Regular local dialogue: maintaining a regular, open dialogue with neighboring communities and local authorities makes it possible to better understand their expectations, explain the reality and constraints of production sites and worksites, and promote mutual understanding to prevent crisis situations. This local dialogue can take the form of open days, briefings and communications about activities and initiatives to improve construction sites.

Local dialogue training: to respond to local challenges and improve the acceptability of its activities, Colas puts its worksite managers and superintendents through training in local dialogue. Since worksite managers and superintendents are in direct contact with local residents and users, it is essential that they receive appropriate training in this area. This approach promotes ownership of this complex issue on the ground and ensures that each response is tailored to each local context.

Reducing nuisances and anticipating complaints: for the past few years, Colas has put in place tools for assessing and reducing potential nuisances, including for example complaint registers, notices on worksites, and websites for gathering complaints and analyzing when they occur in relation to hours of operation.

Communication with local residents: in France, Colas has recently introduced apps to facilitate communication between local residents and employees in the field:

- the start-up UBY offers a mobile app that notifies local residents in advance of potentially disruptive planned events and enables them to flag up instances of perceived disruption, which are then correlated with sensors. Real-time data collected by sensors installed in the field is analyzed by a cloud computing platform. Operations managers are alerted in real time if preconfigured thresholds are breached. This system has been implemented at some worksites and is being rolled out at industrial sites, such as the SCERM asphalt plant in Les Houches and the Sivia'M asphalt plant in Monaco;

- the Colas “Hello Travaux” professional social network enables real-time communication with local residents affected by nearby worksites. The app is updated weekly with works-related information (road closures, diversions, etc.) and users can ask questions and raise concerns. Since late 2019, this app has been rolled out to more than 150 construction sites in France as well as sites in Morocco, Switzerland and the United Kingdom;
- Aximum, part of Colas France, also markets its “Journey Time” solution, which dynamically displays journey times for different routes bypassing construction sites. This helps streamline flows and limit the impact on traffic close to sites as well as reducing vehicle emissions;
- other initiatives pursued by business units include “observation zones” created by Colas France’s Cotaz profit center together with explanatory signs giving details of projects and their benefits.

Indicators	Scope	Unit	2020 ⁽²⁾	2021 ⁽²⁾	2022
Percentage of CAE ⁽¹⁾ from materials activities with an organization for local dialogue	Materials activities (World)	%	41	45	32

(1) CAE: revenue + intra-Group transactions and disposals.

(2) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules (see methodology section).

The significant change in the percentage of CAE from materials activities with an organization for local dialogue is due to:

- *stricter data collection requirements;*
- *implementation of new non-financial (CeS@R) and environmental (ECHO) reporting systems based on a new repository of Colas structures.*

Despite the unusual situation created by the various methodological changes made during the year, fostering local dialogue remains a key priority for Colas and efforts will be stepped up in 2023 under the “Impacts and acceptability” roadmap.

MAXIMIZING THE SOCIOECONOMIC BENEFITS OF OUR ACTIVITIES

Beyond engaging in local dialogue and working to reduce disruption in the immediate vicinity of construction sites, fostering acceptance of the Group’s activities also means maximizing and highlighting the local socioeconomic benefits of Colas’ activities.

Colas’ construction projects and industrial sites help develop and maintain employment and have a social and environmental impact at the local level: the Group’s businesses around the world mainly use local labor and subcontractors. For example, in Canada, subsidiaries Sintra, Miller and NPA are involved in the Progressive Aboriginal Relations (PAR) program and are committed to investing in the development and growth of the First Nations economy: local partnerships with First Nations communities, in place for a number of years, promote road construction training, offer jobs working on local construction projects and create business opportunities for indigenous suppliers and subcontractors.

In designing and delivering its construction projects, Colas Projects is committed to adding value to local economies. For example, on the Luxembourg airport project, 80% of supplies were sourced from Luxembourg-based suppliers and all materials were sourced from within 15 km of the site.

To calculate and maximize the socioeconomic benefits of Colas’ activities, our teams use specific tools: in the United Kingdom, the Social Value Portal and the TOMS methodology are used to calculate the social value created during a project’s construction phase, in keeping with UK legislation. If customers wish, Colas UK can thus incorporate social value targets into its contracts: local employment, apprenticeships, inclusion for underprivileged groups, charitable commitments, use of local suppliers, etc. The GTOI subsidiary on Reunion Island uses the BIOM methodology to calculate the local economic benefits of a Company’s activities.

2.5. Attracting, developing and retaining employees through managerial excellence

At December 31, 2022, Colas had 57,607 employees in more than 50 countries, spanning a wide variety of backgrounds, jobs and skill sets.

Indicators	Scope	Unit	2020	2021	2022
Workforce by geographic location ⁽¹⁾	World	Number	54,651	55,411	57,607
<i>Total France (Mainland + Overseas)</i>		Number	29,835	29,105	29,315
<i>Europe</i>		Number	9,912	9,729	11,595
<i>Indian Ocean/Africa/Middle East</i>		Number	6,140	7,318	7,111
<i>North America</i>		Number	7,266	7,932	8,396
<i>Asia/Pacific (including New Caledonia)</i>		Number	822	769	823
<i>Central America/South America</i>		Number	676	558	367
<i>Total International</i>		Number	24,816	26,306	28,292

(1) Workforce as of December 31, which corresponds to all individuals working under an employment contract of any type for a company within the scope of consolidation or receiving direct compensation for their work from said company, excluding those having entered into a business contract (such as a service agreement) with the company.

Following a slight increase as the Covid-19 pandemic came to an end, the workforce grew more significantly in 2022, by around 4%. This increase stemmed mainly from Europe, primarily in relation to the acquisition and integration of the Destia group in Finland. The headcount in France remained relatively stable. North America recorded an increase of 6%, following on from the trend seen the previous year (increase of around 10% in 2021).

A key social responsibility priority for Colas is to attract up-and-coming talent by reflecting the plurality of society (cultural diversity, diverse ethnic origin, age, gender, etc.) and ensure the health, safety and well-being of all employees while also creating an inclusive work environment where everyone is respected and valued for their contribution. The goal is for each and every employee to achieve their full potential throughout their career.

To meet these various challenges, Colas draws on management excellence and implements its human resources policy across all the regions in which it operates, with a focus on the following three strategic priorities:

- attracting and integrating talent;
- developing employees' potential;
- creating an inclusive work environment.

The Group's Human Resources Department has adopted a matrix-based organizational structure with a corporate unit at headquarters performing various functions for the Group worldwide (recruitment, skills development, training, talent management, compensation and benefits, etc.). In addition to this corporate organizational structure, there are five operational Human Resources Departments covering all regions and subsidiaries.

Colas' human resources policy is set out formally in the Human Resources Guiding Principles Standards (HRGPS) made available to HR teams on ColasShare. For each policy, the corporate teams set out the broad strategic direction, coordinate the network of HR managers and make available a range of tools and processes. Each country identifies its own goals and draws up its own action plans in keeping with its local context.

2.5.1. Attracting and onboarding talent

ATTRACTING TALENT

With labor markets tight in many countries, hiring new staff is key to Colas' ability to support growth in its various businesses. To achieve this, Colas has adopted a "Talent Acquisition policy" centered around three core pillars: sharing, attracting and transforming.

Sharing

To allow for sharing of best practices and capitalize on its skills, Colas' Talent Acquisition Management structure comprises a corporate unit responsible for running, developing and structuring talent acquisition worldwide, and a Talent Acquisition team for each operating scope. This organizational structure makes Colas' recruitment process more professional by identifying and supporting internal recruitment experts.

The duties of this corporate unit are:

- heading up Talent Acquisition/Transfers/Ties with Schools networks: organizing meetings with recruiters, themed workshops, etc.;
- improving the visibility of job offers and the employer brand using various media and partnerships with job boards and social media sites;
- structuring recruitment and transfer processes by training recruiters in-house on the ACT project, as well as prejudices and biases in recruitment decisions.

Attracting

Colas develops partnership with leading names in the employment market (LinkedIn, Indeed/Glassdoor) in order to make itself more visible to potential applicants and improve its employer brand over the long term.

Colas also launches ad hoc campaigns to boost its image and make itself more attractive. For example, to address the growing recruitment needs in traditional roles such as site managers, superintendents, surveyors, project designers and site workers, as well as other jobs in the areas of digital technology, CSR and innovation, Colas launched a large-scale recruitment campaign in France in 2022. This multichannel campaign highlighted Colas' values (sense of family, passing on knowledge, development opportunities) and was rolled out on social media, on the radio, on billboards, and in the press.

Colas has been implementing its Graduate Program for several years and across numerous geographies. This onboarding and support program targeted at young graduates aims to recruit people into junior positions and allows them to learn about the different jobs available before developing their skills gradually. This program concerns a number of activities, including construction work, design office, industry, materials, trade and HR. In 2022, Colas accepted 193 people onto its Graduate Program in France, allowing for transfers on a national or regional level.

A specific approach is in place for ties with schools and taking on work-study students and interns. Colas has developed partnerships with a number of schools and universities, as well as with student associations that share the Group's values. Colas' close everyday ties with these various academic institutions increase its visibility and make it easier to communicate with students to offer opportunities for internships, work-study positions and ultimately full-time jobs. Each region develops its own ties with target schools. As a result, each year Colas takes on more than 1,000 young people on apprenticeships or vocational training contracts around the world and primarily in France.

In 2022, in parallel with its corporate event for Group employees, Colas organized the first student edition of the Colas Team Cup to promote its employer brand and CSR commitments worldwide.

Of the 193 employees taken on by Colas in France in 2022 as part of its Graduate Program, 87 were former interns or work-study students. Colas also took on 1,093 interns in France. Of the 3,879 people recruited on a permanent or temporary basis in 2022, 325 (8.4%) were former interns and work-study students.

In many countries around the world, Colas entities maintain close ties with universities and set up various types of programs, including internships. These programs are a major source of new hires for the Group.

Transforming

Recruitment is one of the founding principles of Colas' cultural transformation and responds to the globalization of the Group's businesses, reflecting its employer brand and values. As a responsible employer, Colas has adopted a variety of measures depending on the recruitment profile, particularly with regard to women:

- Interns and work-study students:
 - talks to universities and student associations giving testimonies from female employees and organizing conferences on themes such as innovation, diversity and CSR,
 - development of dedicated communications materials on diversity across Colas' networks,
 - organization of site visits and dedicated events in connection with nonprofit "Elles Bougent";
- Young graduates:
 - identification of female sponsor (former member of the Graduate Program, "Elles Bougent" ambassadors, etc.) for each new female member of the Graduate Program, if possible for the first posting,
 - development of a Global Graduate Program to recruit a cohort of young graduates from different backgrounds.
- Experienced applicants:
 - attendance at various forums on the themes of diversity, disability and employability,
 - identification of recruitment firms and forming partnerships to identify applicants from more varied backgrounds,
 - local partnerships with organizations helping people find employment.

Indicators	Scope	Unit	2020	2021	2022
External recruiting by status	World	Number	17,881	20,347	21,720
<i>Total France</i>	France	Number	2,679	3,598	3,879
<i>Managers</i>	France	Number	447	649	725
<i>Office staff, technicians and supervisors</i>	France	Number	650	998	1,118
<i>Workers</i>	France	Number	1,582	1,951	2,036
<i>Total International⁽¹⁾</i>	International including New Caledonia	Number	15,202	16,749	17,841
<i>Managers</i>	International including New Caledonia	Number	2,536	3,165	4,758
<i>Workers</i>	International including New Caledonia	Number	12,666	13,584	13,083
Number of leavers by reason	World	Number	19,964	18,769	18,885
<i>Number of leavers in France (under permanent contracts only)</i>	France (Mainland + Overseas)	Number	2,909	3,376	2,884
<i>Redundancies (all reasons)</i>	France (Mainland + Overseas)	Number	1,203	1,210	1,090
<i>Mutually agreed terminations</i>	France (Mainland + Overseas)	Number	412	625	257
<i>Resignations</i>	France (Mainland + Overseas)	Number	751	980	1,017
<i>Other (retirement, death, termination or end of trial period)</i>	France (Mainland + Overseas)	Number	543	561	520
<i>Number of leavers outside France</i>	International including New Caledonia	Number	16,289	14,587	15,300

(1) These figures include the total number of employees hired over the year is recognized, regardless of the nature of the employment relationship ("permanent" or "seasonal" employees).

Overall, recruitment continued to increase in 2022, following on from the previous year's trend. Colas' total recruitment volume was close to the pre-pandemic level of 2020.

As for people leaving the company, with activity picking up across the board since 2021, the volume of resignations rose slightly in France; however, the rate of voluntary departures remained below 5%. Furthermore, with the collective mutual termination scheme coming to an end in 2021, the volume of departures for this reason decreased substantially. The number of leavers in other regions increased slightly following a sharp fall last year. This figure is still strongly influenced by the seasonal effect.

ONBOARDING TALENT

Integrating, retaining and developing talent is a key priority across all of Colas' business lines. To respond to these challenges, Colas set up a Talent Management Department in 2021. Management training courses available across all of the Group's business lines also encourage professional development and greater employability. The talent management policy (including compensation) serves to coordinate career development activities in all geographies in which Colas operates and helps build diversity within the business.

In 2022, Colas continued to roll out the ColasWay Human Resources Information System (HRIS), helping to harmonize HR practices worldwide and monitor entities' HR data. The aim is for ColasWay eventually to become the internal careers site for all employees. In addition, a Human Resources Information System (HRIS) Department has been set up to standardize career management practices and tools. A Compensation and Benefits Department was also created, notably to put in place indicators to monitor, in particular, employee compensation and benefits.

A biannual identification campaign covering all managers was launched using 9-Box to put in place individual development plans and succession plans. Annual performance appraisals also provide an opportunity for employees to express their aspirations in terms of career development, mobility and training.

Each year, Colas' Chairman and Chief Executive Officer and Group VP, Human Resources review all of the Group's succession plans, development plans and strategic issues such as diversity and inclusion. Each entity (business units and departments) presents what it has been doing to Executive Management.

The turnover rate is also monitored and analyzed to gain a better understanding of people's reasons for leaving. Combined with the responses to the annual employee engagement survey, this information is used by local managers and local HR teams to proactively address the issue of employee turnover.

Compensation and benefits policy

Compensation policy, which aims to ensure that the overall compensation package is fair, is adapted within each individual country to reflect the local environment (economy, unemployment rate, local inflation, labor market conditions in the public works sector, etc.). Variable compensation at Colas is based on the performance of all entities and distributed on the basis of four criteria: Colas' operating profit or loss, the operating profit or loss of the subsidiary in question, CSR elements and individual performance against targets for the year.

A new Compensation module was added to ColasWay, which was made available to all managers in mainland France in 2022 to allow them to manage annual pay reviews as best possible (basic pay and bonuses). Integrated management of compensation in the HR information system will gradually be extended to all entities/countries, with the aim of achieving complete coverage and alignment of pay review processes by 2024. The system is already in operation within the three main countries in which Colas operates: France, the United States and Canada.

Additionally, in line with the overall compensation policy applied by the Bouygues group, Colas provides employees in France with very good levels of health insurance, pension benefits and personal risk coverage and allows employees to share in profits by giving them access to the Bouygues PEG (*Plan d'Épargne Groupe*) and PERCOL (*Plan d'Épargne Retraite Collectif*) employee savings plans as well as profit-sharing plans.

In 2022, Colas took measures to help employees cope with high inflation in several countries. For example, in France a bonus for sharing of values was paid to around 70% of employees and an exceptional budget for individual pay increases of 1% of the total wage bill was provided. It is worth noting that Colas was one of the first major companies in France to announce such measures. In line with its standard practice, Colas engaged in discussions with trade unions relating to the planned measures prior to their introduction.

Other highlights in 2022:

- a new profit-sharing agreement was negotiated in France using more favorable calculation methods if performance targets are exceeded and incorporating a new indicator relating to Corporate Social Responsibility (CSR) centered around the eight commitments of the ACT (Act & Commit Together) corporate project;
- on the whole, the goals set out in the performance plan have been established to closely tie in with the Group's strategic objectives; apart from financial indicators, they include metrics relating to diversity and recruitment, talent development and work environment improvements. In addition, CSR indicators (rollout of the ACT corporate project, safety and diversity) have been factored into calculations of senior executive bonuses in order to ensure their support in these areas.

In addition, Colas continues to offer its employees health insurance, retirement benefits and personal risk cover at very good levels, including in particular a minimum level of death and disability benefits, in France and around the world.

Compensation paid to the Chairman and Chief Executive Officer consists of a variable component linked to financial performance and certain CSR indicators (prevention, gender diversity and the environment).

Staff transfers

Mobility is a key way for Colas employees to gain valuable experience and boost their employability. It aims to facilitate transfers between different functions and/or regions within Colas to help meet employees' goals and the staffing requirements of the business.

Colas launched a new internal and external careers site to provide employees and applicants all over the world with access to job offers. The Bouygues group's jobs platform is also open to Colas employees in France. All employees can express their interest in staff transfers on ColasWay. These expressions of interest are then used by local and central HR teams as needed (Careers Committees, career interviews, transfer committees, Executive Management visits, annual performance reviews, etc.). In 2022, a new section was introduced, allowing employees to explain any personal choices and considerations in relation to transfers.

In addition, Colas has introduced a variety of measures to promote transfers between different geographies. For example, in the United States, job offers are published on the Colas USA website, which can be accessed at all subsidiaries, and more career routes are being developed between different geographies and a Mobility Charter and support schemes have been made available.

DEVELOPING A RESPECTFUL AND INCLUSIVE ENVIRONMENT

Colas' aim – supported by Executive Management and spearheaded by the Talent Development, Diversity and Inclusion Department – is for each employee to be able to integrate, progress and flourish within the Company, regardless of factors such as gender, ethnic origin, qualifications and physical condition. Group guidelines are in place for each country in the form of an action plan according to the country's specific constraints. This ambition is based on three core pillars: the involvement of Executive Management, rolling out fair and inclusive processes and standards, and training HR teams and managers.

Executive Management's commitments

The highlights of Executive Management's involvement in 2022 were:

- signing up in 2022 to the #StOpE initiative to combat everyday sexism in the workplace. Colas is the first group in its sector to have signed this initiative. Colas' Chairman and CEO Frédéric Gardès backed the initiative on behalf of the Group, and Colas France and Colas Rail also joined the initiative to demonstrate the commitment of their respective entities;
- various statements by the Chairman and CEO and the HR Department, in particular on the occasion of International Women's Day and to French Parliament to defend the Rixain law;
- an Inclusion masterclass during the Colas in Motion CSR conference, which trained 700 managers;
- the second edition of People Week, in which each entity Director (geography or business unit) has the opportunity to present to Executive Management their flagship actions in terms of talent, succession planning and diversity;
- sponsorship by five senior executives of the WE network, a mixed-gender employee network promoting diversity. This has been implemented in the United States and Canada and at Colas Rail.

In addition, diversity indicators have been added to the criteria for calculating variable compensation paid to senior executives. These indicators are monitored using a specific tool and aligned with the Bouygues group's diversity targets.

Fair and inclusive processes and standards

In 2022, Colas published an in-house article on its commitment to respect in the workplace and non-discrimination, laying the framework and describing the behavior expected of employees.

Colas has set out its values in terms of the behaviors expected of managers, particularly with regard to diversity and inclusion, in the Leadership Essentials. This document will be used as the basis for communications and training programs.

Colas is also working on minimum HR standards that will form the guiding principles for all countries in terms of inclusion and are based on the Group diversity plan initiated in 2022 and the Quality of Life and Working Conditions agreement currently being rolled out in France.

Awareness, communication and training of HR teams and managers

Colas has adopted a communication and awareness-raising plan including general measures relating to diversity and local initiatives developed within the various entities.

For example, Colas is continuing to raise awareness among all managers about non-discrimination through its "Working Together for Diversity" e-learning module, which looks at the seven types of discrimination: gender, age, ethnic origin, disability, religious beliefs, union membership and sexual orientation.

During the first half of 2022, Colas also launched a worldwide campaign based on a poster and the publication of a guide on "Gender Discrimination: See it, Name it, and Stop it", both of which were rolled out worldwide. In Canada, the Group's efforts have been accompanied by toolbox talks to raise awareness.

To make itself more attractive, Colas has developed a variety of partnerships with the aim of attracting young women into technical fields, for example with nonprofit "Elles Bougent" in France, Africa (Côte d'Ivoire, Gabon, Benin) and Europe (Croatia, etc.), with British NGO WISE ⁽⁷⁾, and with Women of Asphalt in the United States; these organizations defend the cause of women in the construction industry and aim to make careers within the industry accessible to all women.

Finally, the Men and Women Share More platform gives all employees access to various content on the subject of diversity (conferences, support materials, podcasts, etc.).

(7) Women Impacting Storebrand Excellence.

Indicators	Scope	Unit	2020	2021	2022
Workforce by gender ⁽¹⁾	World	-	-	-	-
Women (%)	World	%	11.31	11.44	12.25
Men (%)	World	%	88.69	88.56	87.75
Proportion of women in the Group ⁽¹⁾	World	-	-	-	-
Female staff ⁽²⁾ (%)	World	%	22.05	22.33	22.98
Female workers ⁽²⁾ (%)	World	%	2.89	2.54	2.92
Female managers ⁽³⁾ (%)	World	%	17.32	18.59	19.97
Female executives ⁽⁴⁾ (%)	World	%	8.90	11.08	12.97
Female "high-flyer" executives ⁽⁵⁾ (%)			6.90	12.80	13.33
Female members of executive bodies ⁽⁶⁾ (%)	World	%	6.70	15.38	13.33

(1) All types of contract (permanent, temporary, seasonal).

(2) A job grade distinction is made between workers (whose work typically involves industrial or manual labor) and staff (office staff, technicians and supervisors).

(3) Managers are identified by grade determined on the basis of Job Code. This position corresponds to Levels 50 and above.

(4) Executives are identified by grade determined on the basis of Job Code. This position corresponds to Levels 70 and above.

(5) High-flyers: employees in 9-Box categories A2 – A3 and B3.

(6) Members of the Strategy Committee and the Executive Management Committee counted as of December 31.

Most of the diversity indicators used to monitor Colas' HR policy have increased, reflecting the various measures taken. It should be noted that over the last two years, the proportions of female managers, female executives and female "high-flyer" executives have increased significantly, with the latter having almost doubled in two years.

Measures to employ and promote the social integration of people with disabilities

Colas continues to apply its policy promoting social integration for people with disabilities on the basis of three priorities: recruitment, supporting employees with medical conditions or restrictions, and expanding use of organizations that employ people with disabilities wherever possible.

In France, in addition to dedicated forums, Colas has stepped up its recruitment efforts by continuing to work with Cap'Emploi employment agencies, a key source in local job markets. Human Resources managers receive training on the risk of unfitness for work and how to safeguard against it. In addition, regular work has been done with the Purchasing Department to further collaboration with organizations that employ people with disabilities. The Communications and General Services departments have also been asked to use providers that employ people with disabilities.

Finally, information campaigns are provided for all employees. For example, in France, a communications campaign in June 2022 entitled "Well-being at work: why don't we talk about it?" explained how taking health issues into account forms part of the "Company well-being" policy, which types of conditions may be concerned and whom employees can turn to if necessary. This issue is covered by the 2022 Quality of Life and Working Conditions agreement and will be the subject of a specific agreement in 2023-24.

In the United Kingdom, Colas Limited renewed its "Be Fair" accreditation in August 2022 at the strategic level (four out of five levels), in recognition of its commitment to fairness, inclusion and respect, as well as its efforts to support people with disabilities as promoted by the Construction Industry Training Board. As part of this commitment, the in-house "Be Fair" team underwent training to strengthen its skills and organized workshops with suppliers. The network now consists of more than 30 people trained across the Company. Colas UK, which is already a Disability Confident Employer, is also planning to step up its ongoing commitment to supporting disabled employees, with the aim of becoming a Disability Leader by the start of 2023.

In South Africa, an employment equity committee has been set up with the aim of guaranteeing fair and equitable practices, procedures and policies in the workplace. The committee is governed by its own constitution and its members come from all professional levels, all genders and all ethnic origins. Some of its duties include yearly analysis of the Company's policies, setting positive action objectives for the employment and development of specific underrepresented groups such as women of color and people with disabilities.

Finally, in 2022, Colas renewed its support for para-triathlete Gwladys Lemoussu, a strong symbol of the Company's support of inclusion of people with disabilities.

Colas is also continuing to promote internally the use of companies employing people with disabilities, in collaboration with the Purchasing Department, and in particular with departments using these services, such General Services and Communications.

Colas took the following measures with regard to integration in 2022:

- French subsidiary Spac provided apprenticeships for refugees and young people with no qualifications to give them the opportunity to learn about an industry, integrate into their local area and eventually be offered a job. This scheme is connected to homes and local authority organizations to help young people;
- since signing an agreement in 2016 with the GEIQ (Group of Employers for Inclusion and Qualification) for the Ile-de-France region and on an ad hoc basis with other GEIQs in the French regions, Colas France's regional offices have launched regular specific recruitment and training drives as part of contract clauses;
- Colas Rail also continued to collaborate with certain GEIQs in France (for the construction industry in the Ile-de-France region and in the Grenoble region). It also pursued initiatives with specialist temporary employment agencies such as Idées intérim, Janus, Humando, Intervalle intérim and Pil Emploi, on an ongoing basis or for the duration of construction works. A collaboration was launched with Grep Intérim, a temporary employment agency specializing in helping people who have been in trouble with the law and are under probation supervision;
- in the United Kingdom, Colas continued to work with agencies supporting various sections of the community, in particular services to help military veterans find work and agencies supporting ex-offenders, people with disabilities and the long-term unemployed, in order to offer them job opportunities as well as making the Company and society in general more diverse;
- as part of the BRT construction project in Cayenne, French Guiana, Colas Projects used professional training and internship contracts representing 30,000 hours of work on the project by people looking to get into employment, or 10% of total hours worked.

Indicators	Scope	Unit	2020	2021	2022
Number of disabled employees ⁽¹⁾	France (Mainland + Overseas)	Number	865	771	788
Number of disabled employees hired ⁽¹⁾	France (Mainland + Overseas)	Number	14	6	17
Revenue by companies that employ people with disabilities	France (Mainland + Overseas)	€	1,224,644	1,223,751	1,617,873

(1) Fixed-term and permanent contracts.

The number of employees with disabilities declined, mainly due to a high number of leavers (either natural or under the collective mutual termination scheme).

2.5.2. Developing employee potential

Colas invests in upskilling its employees to make them more adaptable to changes in the business. In 2021, investment in training equated to 1.9% of total payroll (3.13% in Mainland France). This investment translates into a tailored range of digital training covering the entire scope of business requirements and underpinning a culture of continuous learning. Each entity reflects the strategic training goals set by the Group Human Resources Department and allocates their budget to addressing local issues.

The Group's training priorities are:

- developing key skills and employability;
- nurturing the corporate culture;
- reinforcing operational excellence;
- helping the Company navigate strategic change.

DEVELOPING KEY SKILLS AND EMPLOYABILITY

For Colas, it is essential to ensure that all employees have the necessary skills to safely meet the requirements of its existing and future operations.

It is therefore vital to be able to offer all employees means of developing their skills in their own area of specialization as well as in connected fields or other areas. For this reason, in addition to training plans defined on a local level, Colas has developed a self-service digital training tool accessible to all employees: Colas Campus.

For example, Colas offers an online language learning solution to all employees, providing unlimited access to over 7,500 training resources (virtual classes, videos, articles, practical exercises, grammar lessons, etc.) available in nine languages. Furthermore, in 2022, Colas signed a number of partnership agreements with content platforms in order to access high quality online resources covering all types of job, including marketing, sales, IT, construction techniques and leadership.

NURTURING THE CORPORATE CULTURE

Employee engagement is rooted in a shared understanding of Colas' values and CSR commitments, as conveyed by the ACT corporate project, which takes a variety of forms. That being the case, managers play a key role in gaining buy-in to the Company's values so as to motivate and retain employees, maintain a positive labor relations climate and support change within the Company. To this end, all employees are required to complete five mandatory training modules: safety, cybersecurity, ethics,

diversity and GDPR (data protection). These digital modules are accessed *via* the in-house Colas Campus platform. For example, in 2022, the Cybersecurity module completion rate was 91% (out of a total of 35,000 employees concerned).

Colas University forms an integral part of the Group's training provision and constitutes a key element of managers' career paths. Sessions are organized throughout the year, in four cycles:

- Level 1 on getting to know the Group for newly hired managers: the first international level 1 Colas University courses were launched in 2022 in Budapest, Toronto, New York and Montreal;
- Level 2 for managers becoming department or sector heads: this Colas University course will be offered in Budapest and the United States in 2023;
- Level 3 for functional and operational managers identified by the Group as having potential: content is centered around the themes of leadership, ethics, finance and strategy;
- Level 4 for the Group's top managers.

In 2021, the four Colas University courses had 403 participants, guiding them through the key stages of their professional development within the Group.

REINFORCING OPERATIONAL EXCELLENCE

To maximize performance in terms of safety, quality standards, productivity and customer satisfaction, the One Colas Excellence training program consists of nearly 25 video modules focusing on operational excellence and aimed at enhancing technical expertise and mastering key site processes (e.g., earthworks techniques such as laying edging or surface treatments). These videos are available in over 18 languages, making them easier to disseminate.

The business line Academies approach, launched in 2021, offers business-line-specific training paths (Purchasing, Materials, etc.) to professionalize the business lines (through skills development, dialogue, international openness, etc.). Colas' business line academies scheme continued in 2022 with the legal and BIM departments.

Colas also provides training for support roles, in particular human resources, meeting the most demanding legal and social requirements. In 2022, Colas trained all recruiters in recruitment biases and prejudices, as well as the ACT corporate project.

Finally, initiatives are launched by entities on a local level. For example, Colas France's Western region created the "School of expertise" in association with the Egletons public works training center, with the first cohort focusing on the role of site manager. Students (14 participants for the 2021-22 intake), overseen by Colas site managers acting as tutors, are trained in technical and managerial aspects or aspects relating to the Company's culture and values (safety, HR, IT, CSR, etc.).

SUPPORTING STRATEGIC CHANGE

Technical, technological and strategic changes take place regularly within the Company. Colas' strategic direction in terms of training is also reflected in the two key trends of digitalization and internationalization.

Staff in the training community have supported major changes of software environment (Copernic and ColasWay) by delivering training modules to thousands of employees worldwide. Colas subsidiaries also have their own training strategies designed to respond to more local and/or context-specific needs.

Colas also extended its international reach, notably through its digital content distribution platform (Colas Campus) and its project to create a "World" corporate training offering available on Colas Share, the Group's knowledge management tool. In 2022, Colas launched an international training catalogue in French and English to consolidate the training available in different countries. The aim is to offer all Group employees opportunities to develop consistent, high-quality skills aligned with their expectations, irrespective of where they work. Both digital and face-to-face training is being rolled out internationally. It plans to add other training programs available in the various countries in 2023.

Colas is also looking to globalize and digitize its training programs by introducing job-related tutorials. A partnership with Go Fluent is available for employees wanting to improve their English language skills in particular.

Indicators ⁽¹⁾	Scope	Unit	2020	2021	2022 ⁽²⁾
Number of employees trained	World	Number	37,937	36,722	40,987
Number of days of training	World	Number	111,426	82,027	107,543

(1) The above figures related to training are consolidated in fiscal year Y for the period Y-1.

(2) Including e-learning training programs

Indicators	Scope	Unit	2020	2021	2022
Number of people under apprenticeship contracts taken on during the year ⁽¹⁾	France (Mainland + Overseas)	Number	477	604	866
Number of people under vocational training contracts taken on during the year ⁽¹⁾	France (Mainland + Overseas)	Number	142	110	145

(1) Numbers of work/study students taken on (under apprenticeship and vocational training contracts) are those for the year in question.

The number of days of training increased sharply, returning to pre-pandemic levels.

Note that the Covid-19 pandemic affected how training sessions are organized, with a ramp-up in sessions held remotely and e-learning in particular. As of 2021, these e-learning programs have been taken into account in the number of employees trained and the number of days of training.

In addition, the recruitment volume of work/study students rose further, exceeding 1,000 in 2022 and confirming Colas' recruitment/training/onboarding policy.

2.5.3. Creating a high quality work environment

To develop employee engagement, which is essential for the Company, Colas strives to create a work environment that meets employees' expectations. This involves listening to employees and labor-management dialogue, providing optimum working conditions and also helping employees get involved in local socially oriented initiatives.

LISTENING TO EMPLOYEES AND LABOR-MANAGEMENT DIALOGUE

Dialogue, an annual global employee engagement survey (translated into 22 languages), is rolled out in every country where Colas operates (49 countries). Each year, Colas gives all its employees around the world (around 58,000 in 2022) the opportunity to express their views on various themes: workplace well-being, engagement, health and safety, workload, quality of life at work, buy-in to the Group's values and understanding of corporate strategy. More than 77% of employees responded to the survey in 2022, which yielded an overall engagement rate of 82%. The results are analyzed locally in order to implement measures close to the ground and to address employees' concerns.

In 2022, a number of initiatives were launched on a regional level (training, communications, etc.) and at Group level, such as Colas Inside to communicate on the Group's news. For example, following on from the Dialogue survey, Colas Rail launched the Marguerite program to identify causes and signs of absenteeism, resulting in the launch of a national campaign to combat absenteeism in France with two core focuses: an absenteeism log with individual analysis to identify employees needing support, and training managers in using a "Quality of life at work" individual appraisal guide to help identify individual solutions to reduce absenteeism.

Listening to employees also involves labor-management dialogue by means of employee representation within Colas entities. In France (Mainland and Overseas), labor-management dialogue now takes place through 268 employee representative bodies. Turnout at elections was unchanged in 2022 at 82%. In Europe and Africa, around three-fourths of companies employing more than 300 people had staff representation comparable to that in France, while in North America (United States and Canada), labor-management dialogue takes place via trade unions and industry bodies.

AGREEMENTS AND WORKING CONDITIONS

Colas wants to offer its employees the best working environment wherever they are in the world. To do this, agreements and initiatives were rolled out in France in 2022 that will be extended to other countries in 2023.

In mainland France, the Group signed three agreements in 2022 relating to Remote Working, Quality of Life and Working Conditions, and Diversity, Inclusion and Equal Opportunity.

The new Quality of Life and Working Conditions (QVCT) agreement was supported by themed advertising campaigns. Posters were displayed on a regional level, primarily for worksites. A leaflet was also sent to site workers' homes. The new agreement resulted in a communications campaign centered around 360° holistic support, with the aim of improving working conditions and the well-being of employees and their close family, in particular by providing access to psychologists, coaching on managing stress and anxiety, and parenting support. Measures relating to parenting support have been relaunched as part of the new four-year QVCT agreement.

In addition, as part of the agreement, a 24/7 confidential telephone platform providing comprehensive holistic support was launched, focusing on emotional, practical and physical aspects. The aim is to provide counseling support, practical information and advice for employees and/or members of their families, and direct them towards the right people to speak to, whether the problem relates to work or personal/family life. A telephone support platform is also available to add to the help provided for employees.

Colas has also established its Global Flexible Working Guidelines as a reference for all Colas entities. These guidelines set out the global framework for local directives concerning remote working, on the understanding that local employment law takes precedence. Some countries have already adapted these rules and disseminated a remote working procedure or agreement, such as France, the United Kingdom, Switzerland, Croatia/Slovenia, Poland, the Czech Republic, Canada and, more recently, Iceland. Other adaptation programs are under way, such as in Slovakia.

ENCOURAGING EMPLOYEE INVOLVEMENT

Colas firmly believes that employees are more engaged if they are able to get involved in efforts to help others through the Company. It therefore provides schemes to enable employees to get involved in programs that benefit society, such as supporting local communities close to worksites, helping to build facilities, donations or help for local residents and initiatives to protect the environment. In Canada, for example, subsidiary Miller has involved employees in cleaning up lakeside areas as part of an annual volunteering program. Colas Rail supports the development of a number of third-sector organizations by means of skills-based patronage, in particular within the REC Innovation network and ESS Factory.

Additionally, in France and Côte d'Ivoire, Colas is involved in Forest and Life, an educational program founded by Kinomé. The goal is to participate in reforestation projects and educate children about key sustainable development issues.

PATRONAGE AND SPONSORSHIP

At Colas, participating in local life also involves running corporate patronage and sponsorship activities governed by Colas' compliance policy. For its corporate patronage and sponsorship policy, Colas has set priorities aligned with its social commitments that resonate with all employees. The Colas Foundation has updated its corporate purpose. Across all regions in which Colas has a presence, it backs initiatives in support of social inclusion and access to employment for children and young people through education, business, sports and culture. In 2022, Colas standardized its strategy for all corporate patronage programs worldwide on the basis of this core priority. A procedure has been disseminated to help employees get on board with this new positioning and get to know the rules of action.

Indicators	Scope	Unit	2020	2021	2022
Total cash patronage and sponsorship	World	€M	5.2	3.9	4.1
Total in-kind patronage and sponsorship	World	€M	0.4	0.3	0.5

Total corporate patronage donations (in cash and in kind) decreased by 10% in 2022. These donations mainly related to solidarity-based and humanitarian initiatives, reflecting a commitment to supporting local people, particularly outside France. Total sponsorship expenditure increased by 22% in 2022 as a result of events resuming following the Covid-19 crisis. As in previous years, sponsorship focused on sports.

2.6. Fostering a stronger health and safety culture to protect lives

For Colas, the health and safety of its employees is a top priority. The Group's aim is to reinforce a worldwide culture of health and safety. Colas is committed to valuing its human capital and actively working to provide working conditions for all its employees and stakeholders (temporary staff, suppliers, subcontractors, local customers, etc.), in which risks to their health and safety are kept to a minimum. Similarly, the approach to security and crisis management helps protect the workforce and the Group's activities.

The Health, Prevention & Security Department (HPS), part of the Responsible Development & Innovation Department, helps roll out the Group's strategy on the basis of the ACT corporate project. A network of safety managers was set up several years ago to help enforce the health and safety policy, backed up by a wide range of prevention tools including safety training, operational processes and tools shared via a single multilingual platform: ColasShare HPS. This platform also allows for sharing of best practices and feedback. The HPS Department aims to give Safety teams operating at the level of subsidiaries greater autonomy, supporting their skills development and closeness to operations while also ensuring uniform processes and compliance with standards and regulations. Furthermore, a network of security managers in several countries works daily to protect Group employees against geopolitical and malicious risks.

The health, safety and security roadmap has the following two pillars:

- consolidating the health and safety culture for all stakeholders;
- adjusting the safety and crisis management policy to global geopolitical changes, particularly in regions of tension and conflict.

2.6.1. Consolidating the health and safety culture for all stakeholders

Colas has set itself a “zero accident” target. The Group runs ad hoc prevention and awareness programs and provides its employees with equipment and tools, particularly digital equipment and tools, tailored to each person’s needs and skills. The Group prioritizes the health and safety of all employees by complying with the laws in force in each country in which it operates.

ENHANCING WORKPLACE SAFETY

The Group has launched One Colas Safety, a worldwide cultural change program comprising the Goal Zero program in the United States and Canada, and the One Safety program in the rest of the world. The One Safety program encompasses a number of different approaches including “See and Tell” training, steering committees, engagement workshops and a coaching network.

At the end of 2022, more than 11,000 people had been trained in France (9% managers), in Europe and West Africa. Around 32,000 employees are concerned by the effects of this program. Early results are already visible: managerial routines are being established (safety meetings, “starter” safety briefings, etc.) and their rollout is being measured *via* the Quick Connect digital system.

Furthermore, the 5 Rules of Life and the 10 Life-Saving Rules have been shared by and applicable to all Colas entities worldwide since 2020. However, adjustments have been made in North America in view of the local culture and in rail operations in view of specific technical requirements. The rules are monitored by the HPS Department and its officers. Compliance with these rules is always reviewed by the HPS Department when analyzing workplace accidents.

A new awareness-raising campaign was prepared in 2022 to be launched in January 2023, intended for all new recruits (employees, temporary staff, seasonal workers, apprentices, etc.) to allow for better understanding of Colas’ safety regulations.

Each year, Colas organizes a Safety Week to enable everyone to take time to discuss the issue of health and safety. In 2022, the theme of “attention distractors” was chosen after analyzing safety data.

The Group’s main actions in 2022 were centered around three core priorities:

- standardizing HPS processes and practices: adoption of an HPS document management system and dissemination of the “Health, Prevention and Safety” bilingual glossary;
- sharing information, skills and best practices: systematic organization of “severe and fatal accident observatories” for monitoring feedback in order to ensure a proactive approach to preventing accidents, and the launch of Safeflix, a Health, Prevention and Safety training content sharing platform;
- digitizing procedures and reports: putting together a digital site health and safety plan and creation of two multilingual performance scorecards.

Colas is also involved in innovation projects aimed at protecting employee safety, in particular by controlling the risk of collisions between machinery and pedestrians, such as the Alert! anticollision IoT technology-based system, currently being trialed in Canada. Other systems for detecting people close to machinery are also being trialed with independent equipment manufacturers, to be fitted to existing equipment from various brands. Finally, Colas is working on the predictability of public works accidents in partnership with engineering schools.

A number of innovative safety initiatives have been launched in the field:

- subsidiary Spac launched an innovative program for preventing accidents connected to human factors, using neuroscience to improve safety. The aim is to prevent routine habits by making people aware of the importance of a successful start to the day and providing breaks for operators to switch off “autopilot” mode and regain awareness of their work environment and the associated dangers;
- the Southeastern Region in France and Colas Hungary organized an immersive safety training session using virtual reality technology for participants to experience risky situations.

In 2022, Colas continued its participation in the PASI trial: this certified training course, launched in 2021, is designed to provide temporary staff with benchmark site safety training tailored to the needs of building and public works firms to avoid the need to retake the same type of training whenever they are hired by a user company. An experimentation phase has been launched in five regions (Hauts-de-France, Auvergne-Rhône-Alpes, Grand-Est, Occitanie and Provence-Alpes-Côte d’Azur).

Indicators	Scope	Unit	2020	2021	2022
Frequency rate of employee workplace accidents ⁽¹⁾	World	%	6.12	5.04	4.53
Severity rate of employee workplace accidents ⁽²⁾	World	%	0.44	0.40	0.33
Number of fatal employee accidents ⁽³⁾	World	Number	5	1	2

- (1) Number of lost-time accidents x 1,000,000/Number of hours worked, not including accidents following sudden health incidents or commuting accidents. These are accidents declared and recognized by the competent authorities, e.g., the CPAM in France.
- (2) Number of working days lost x 1,000/Number of hours worked, in line with the regulatory definition of "Severity rate": "Working days lost in the current year are taken into account even if the accident occurred in the previous calendar year."
- (3) The number of fatal accidents relates to the registered workforce and consists of accidents linked to occupational activities resulting in death, including road traffic accidents. Commuting accidents and fatal accidents following sudden health incidents are not included.

Thanks to the effects of the cultural change program launched in 2020 concerning collective commitment and individual understanding of the reasons to comply with the "rules of life/life-saving rules", steady improvement has been achieved in the frequency and severity rate.

ROAD SAFETY

The road safety action and prevention program in place at Colas relies on entities' (subsidiaries and business units) commitment to implementing a policy of regularly raising employees' awareness of road risks. Each Colas entity around the world has its own Road Safety Correspondent. These correspondents are supported by a network of over 400 Road Safety Officers tasked with implementing and coordinating the program.

In France, this approach is implemented on the ground through a program focused on the following:

- raising drivers' awareness of safe driving rules (through road safety training, post-accident analysis, driving audits and communication tools such as comic strips, videos and posters);
- organizing journeys;
- the vehicle fleet (purchase and maintenance; active and passive safety equipment such as onboard telematics, gradually being rolled out across the Group);
- the environment (road infrastructure, traffic plans, etc.).

Similar road accident prevention training and awareness programs have also been developed in many other countries.

On December 8, 2021, Colas signed the "7 Commitments for Safer Roads" in partnership with the Road Safety Delegation, highlighting its desire to continue pursuing road accident prevention initiatives and improving its performance in this area, with the frequency rate ⁽⁸⁾ already 72% lower in France than it was in 1997.

Colas sets itself targets to reduce losses, a goal shared by all subsidiaries. The worldwide road accident frequency rate fell by 53% between 2004 and 2022, despite an increase over the last two years due to the renewed rise in travel following the public health crisis, particularly in France.

For many years, Colas has also focused a portion of its research and development work on road safety:

- development of high-grip road surfaces to lower the risk of accidents;
- extending use of its Flowell dynamic signage system to make road signage easier to read and improve user safety. Several trial sites have been deployed to test the solution in real conditions. Its use leads to calmer driving, greater awareness of risks, and thus enhanced safety for pedestrians;
- rollout of the ANAIS system to help road network managers identify sections of road in need of attention and near-accidents on their networks, to support them by suggesting land-use planning recommendations and to monitor road safety across their networks (via an environmentally friendly driving score);
- designing and manufacturing road safety equipment (via Aximum) such as guard rails, horizontal and vertical signage and crash barriers;
- development of the patented SAVE (Vehicle Evacuation Approach System) solution installed on warning arrows to alert workers working along high-speed roads if there is a danger of imminent collision. This solution will be launched by Aximum in January 2023.

(8) Frequency rate of road accidents with a third party involving a Colas vehicle as a percentage of the total number of Colas vehicles.

PROTECTING HEALTH IN THE WORKPLACE

In the area of health, the HPS Department carries out various analyses and sharing of best practices, overseen by HPS officers, as well as implementing local initiatives to prevent health-related risks.

The HPS Department encourages each local entity to improve their analysis of the specific health considerations of their immediate environment. Measures are then taken to address the health risks to which employees may be exposed on site. Examples of local initiatives include:

- Madagascar: an aid station is available and doctors are on hand to provide front-line care for common complaints and carry out mandatory medical check-ups. For remote worksites, Colas has authorization to provide a standalone company medical service;
- Morocco: a new agreement to provide medical assistance in the event of illness was signed in 2022 for the benefit of all employees;
- Benin: service agreements have been signed with local clinics to treat employees with health problems or provide first aid in the event of a workplace accident;
- United States: a service has been launched to give all employees access to the best possible healthcare, even for minor incidents, thanks to the Ortholive medical triage service;
- France (northeast and southeast regions): training of all employees in the dangers of alcohol and psychotropic substances.

In addition, permanent checks are carried out to ensure observance of the World Health Organization's guidelines and recommendations. Relevant information, in particular that intended for employees traveling for work, is systematically sent to these employees before they leave *via* Recap Santé, the dedicated digital health passport for work assignments.

The HPS Department, a member of the Cindex association, also exchanges benchmarks and best practices with major international groups and shares this information with Colas' local entities.

Colas takes specific measures to prevent exposure to noise, UV rays, bitumen fumes, dust and hazardous substances, in particular chlorinated solvents. The HPS Department also lends its expertise to help entities with measuring exposure to noise pollution and air quality. For a long time, measures have also been taken with regard to ergonomics and prevention of musculoskeletal disorders. In France, the Ile-de-France Normandy region is continuing to work on the Asphaltator to prevent the development of musculoskeletal disorders in workers working with asphalt mixes. In other regions, physical preparation sessions are run to reduce the risk of muscle injuries and musculoskeletal disorders. Research is ongoing into using exoskeletons to reduce the need to carry heavy items.

The Colas Group also offers its employees social protection. In France, all employees are entitled to insurance covering health (long-term absence from work and death) and associated costs, with cover exceeding both statutory and contractually agreed minimum levels (in particular under a "responsible contract"). As well as contributing to employees' health cover, the Group also contributes towards the cost of cover for employees' family members. In the other countries, all employees are covered by the ByCare program, which aims to offer a range of core employee benefits based on best practice in each country.

Indicators	Scope	Unit	2020	2021	2022
Number of employees recognized as suffering from an occupational illness during the year	World	Number	73	113	95
Number of consecutive lost-time days following workplace accidents	World	Number	47,232	43,458	37,549
Absenteeism rate ⁽¹⁾	France (Mainland + Overseas)	%	5.99	6.13	6.07
Number of hours worked	World	Number	106,272,726	108,038,151	113,397,955

(1) Permanent contracts; this indicator measures the number of working days lost due to workplace accidents, commuting accidents, illness or occupational illness, in proportion to the number of calendar days.

Following a sharp increase in 2021, the number of employees recognized as suffering from an occupational illness fell significantly in 2022. The absenteeism rate improved relative to 2020 and 2021 as a result of the pandemic subsiding, resumption of activity reflected by an increase in hours worked and a reduction in the number of working days lost due to workplace accidents over the last two years as a result of focused efforts in this area.

2.6.2. Adjusting the safety and crisis management policy to global geopolitical changes

Protecting the workforce and the business from malicious acts is also a priority. The network of Security Managers works under the aegis of the HPS Department's Security division on protecting employees in such situations. Specific steps are taken to safeguard against key risks as well as to respond to employees in crisis situations.

The approach to security encompasses a range of procedures, tools and training aiming to protect employees – such as anticipating a crisis and, if it occurs, managing it effectively – on a day-to-day basis and also when traveling for work.

On a daily basis, Colas helps entities and employees prevent and manage malicious activity by permanently monitoring the geopolitical and security situation, distributing the Security Flash report, performing site security audits and implementing physical protection measures in response to high-risk situations as and when they arise. In addition, a training program in stress management and verbal and physical threats was devised in 2022 to limit employees' exposure to these risks. In 2022, a pilot training program was launched at four entities of French subsidiary Aximum.

The security policy also aims to ensure employees are protected when they travel, with an average of more than 8,000 trips per year. Protection of employees traveling to high-risk regions is managed on a local level by HPS/Security officers in collaboration with Insurance and Human Resources, ensuring that an up-to-date list of personnel working in a given country or on a given site is always available (digital POB/POS data).

The HPS Department performs Country Risk assessments, which are updated daily thanks to geopolitical monitoring and using the Security Risk Matrix tool. All operations in countries assessed as "at risk" are subject at least to a list of measures to mitigate these risks and Master Security Plans are drafted, as well as a crisis management plan.

Additionally, whenever a new project is launched in a region identified as high-risk, a risk assessment is always carried out using a Group-specific matrix, following which a General Security Plan is put in place. This plan identifies security measures to be adopted to ensure the security of the Group's personnel, property and assets.

While all of these elements are intended to avoid a critical event affecting Colas' staff and projects, a crisis management policy has been rolled out in order to protect Colas as best possible in an emergency.

The Group Crisis Management Manual forms the core of the Group's crisis management approach. This manual has been rolled out to entity management teams and is backed up by specific training and crisis exercises every two to three years. The aim is to ensure a consistent crisis management methodology and thus to more efficiently manage crises.

Another essential tool is the Golden Book, which consists of information sheets summarizing the first steps to take in a crisis or other high-pressure situation. These crisis management tools are supplemented by operational business continuity plans, which each local entity is responsible for updating annually.

MANAGING THE PUBLIC HEALTH CRISIS

Colas has taken steps to protect its employees and ensure the continuity of its operations since the Covid-19 pandemic began in 2020. The measures taken, under the aegis of the HPS Department and implemented by the HPS network, continued in 2022:

- in France, a number of documents have been produced in line with national guidelines and in collaboration with trade union organizations. These documents are published on a SharePoint accessible to everyone and are updated as government recommendations change;
- outside France, it is no longer necessary to report confirmed cases of Covid-19 but this system is still available in case it should be useful in a particular country;
- travelers are given help with understanding public health guidelines still in place. Covid-19 regulations are monitored on a national level and for each entity, and WHO recommendations are systematically forwarded to the global correspondents network.

2.7. Building a responsible supply chain rooted in sustainable performance

Colas' external expenditure equated to over 60% of the Company's revenue in 2022 and thus constituted a key lever for involving outside resources (suppliers, subcontractors, products and services) in the Company's CSR approach. The Group's responsible purchasing policy aims in particular to address the constraints involved in working with a very large number of suppliers (over 100,000 direct suppliers), the risks associated with differing types of expenses depending on the region, and Colas' ability to exert influence on its key suppliers.

Colas' responsible purchasing commitment – to “build a responsible supply chain rooted in sustainable performance” – is broken down into four areas:

- empowering and training the purchasing function in corporate social responsibility;
- working with business lines and entities to build a socially responsible purchasing action plan particularly by implementing the Group's low carbon and biodiversity strategy;
- making sure suppliers are committed to delivering on CSR, in particular by drawing on the Purchasing CSR risk mapping;
- ensuring that Colas honors its CSR commitments toward its suppliers.

The Purchasing Department is piloting the rollout of the Responsible Purchasing roadmap. This is organized into various units (equipment, excluding production, energy and raw materials, purchasing performance and compliance process) including a CSR performance unit, which coordinates the four areas of the roadmap rolled out to local areas with the support of Purchasing Directors in Colas' various regions.

2.7.1. Training and empowering buyers

The goal is to make our buyers stakeholders both in the sustainable purchasing process and in specific purchases of sustainable goods and services. With this in mind, raising awareness and training buyers in the responsible purchasing process and the Company's CSR duties, starting with the duty of care, are essential pillars.

All buyers complete the “Applied business ethics and compliance” training course delivered by Group Legal & Compliance and sign the personal commitment included in the overall Ethics and Compliance approach.

Two specific corporate social responsibility e-learning modules are available to buyers to explain, in particular, the duty of care, associated CSR risks (safety, environment and human rights) and supplier CSR assessment methods. These dedicated Purchasing training courses are being rolled out worldwide. All new entrants are required to take them. As of end 2022, more than 80% of buyers had completed these two modules, including the associated quizzes.

2.7.2. Working with business lines to build a socially responsible purchasing action plan

The Colas Group's overall performance is intrinsically linked to that of its partners, suppliers and subcontractors. If the Group is to offer the most effective and responsible solutions, it is essential that it select products and services that are technologically, environmentally and socially innovative. Implementing a socially responsible approach to purchasing is one of the prerequisites for encouraging a spirit of partnership and developing shared value creation for customers.

Key themes (energy, vehicles and machinery, industrial equipment, finished or semi-finished products, raw materials, operational excellence) have been identified based on their strategic and CSR impact for Colas, in particular the low carbon objective; these cover not only low carbon purchasing but also the circular economy and the social economy.

The goal is to identify synergies and work with the business lines to put in place action plans to ensure that CSR criteria and requirements are built into specifications, bids and contractual clauses so as to specifically offer low carbon alternatives. Suppliers are asked to highlight the carbon aspects of their bids in relation to equipment and purchases of raw materials (e.g., hydraulic binders for use in road construction, cements, slag, etc.). In 2022, the Purchasing Department asked its strategic suppliers to provide low carbon ready-mix concretes and supply electric or hybrid equipment for small equipment hire.

Since October 2022, Group Purchasing has been working with a consulting firm to help it implement a methodology for identifying and rolling out responsible purchasing action plans specifically focused on low carbon purchasing. From 2023 onwards, the goal is to have numerical commitments in place to reduce the carbon footprint of key suppliers (15-50 suppliers per country, depending on country size). Supplier roadmaps drawn up by this consulting firm will be rolled out in 2023 with the aim of taking tangible and coordinated action to reduce the carbon footprint.

Actions initiated in 2021 continued in 2022, notably in relation to electricity, fuel and vehicles:

- offering incentives to use weaker concrete mixes and buy low carbon concretes;
- renting electric equipment (e.g., electric chargers hired by the Lyon profit center for the Villeurbanne construction site);
- buying green electricity (all electricity purchased in France and Belgium was covered by guarantees of origin);
- with the gradual installation of electric vehicle charging points in France, electric vehicles were incorporated into the vehicle fleet;
- rollout in France of the biofuel Oleo100 to replace diesel fuel for heavy vehicles (rollout of around 100 tanks in 2022 to be used in 700 vehicles, with a target of converting 70% of the heavy vehicle fleet by 2023). The Group also entered into a framework agreement with Saipol in 2022 to secure supplies until 2030;
- new CO₂ criteria are built into the ongoing global tender for capex on wheeled equipment (e.g., excavators, loaders and trucks);
- Duradrain recycled plastic curbs (ten times lighter and with an integrated drainage system, resulting in a 60% reduction in the carbon footprint) were used instead of granite curbs on a construction site in the United Kingdom (A46 trunk road);
- Colas pursued innovative partnerships to reduce its suppliers' environmental impact (e.g., partnering with Volvo to roll out electric excavators and dump trucks);
- worked with the Equipment Performance Department to organize a Supplier Day – Construction Equipment Tenders, when Colas challenged its suppliers to reduce their greenhouse gas emissions.

In addition, Colas is keen to ensure that the vast majority of its purchases are local: transport, aggregates, leased vehicles with drivers, site subcontracting, equipment maintenance, etc.

Sustainable economics, including facilitating access to employment, is also part of Colas' responsible purchasing commitment, in particular through the inclusion of employment clauses in public procurement contracts in France and the United Kingdom. Colas continues to work to embed this dimension into its responsible purchasing policy. Partnership agreements are signed locally with GEIQs (employer groups for integration and training) to help facilitate the employment process for people having trouble accessing the job market or returning to work.

2.7.3. Making sure suppliers and subcontractors are committed to and delivering on CSR

To assess and monitor the social and environmental performance of its suppliers and subcontractors over the long term, Colas has drawn up a mapping of CSR risks by purchasing category and CSR region. This mapping will be incorporated into the overhauled mapping of risks in relation to the duty of care. This central tool will be rolled out in 2023 on a country-by-country basis and translated into specific action plans.

To make sure suppliers are committed to and delivering on CSR, Colas draws on a range of tools and initiatives such as its CSR charter for suppliers and subcontractors, specific contractual clauses, CSR assessment questionnaires and external audits. For example, suppliers invited to submit bids in relation to capital equipment must complete a questionnaire in which they are specifically asked to highlight the CO₂-related aspects of their proposals.

In 2022, Colas kicked off an approach to assess around 400 key strategic suppliers with the highest CSR impact (the top 20 or 50, depending on the entity) *via* the EcoVadis platform, in line with the approach used by Bouygues group. This approach is being rolled out and aims to encourage suppliers, depending on their carbon maturity and EcoVadis rating, to use a decision support tool to help them prepare bids.

Also in 2022, Colas Rail signed up for Railresponsible (an ecosystem of rail sector partners that exists to think about environmentally responsible solutions), a sector-specific initiative focused on responsible purchasing, with the aim of continuously improving sustainable development practices through the rail sector supply chain.

2.7.4. Ensuring that Colas honors its CSR commitments toward its suppliers and subcontractors

By the same token, through its commitment to socially responsible purchasing, Colas makes commitments to its suppliers and subcontractors: to guarantee equal treatment; to honor payment terms so as not to put suppliers in difficulty; and to ensure that suppliers are not made vulnerable through financial dependence.

Work continued in 2022 to digitize the process of committing expenditure and switch to paperless billing and payments with the aim of streamlining the process and shortening processing times and payment terms (formal order acceptance, receipt of goods, paperless billing and payment by bank transfer to significantly shorten payment terms).

2.8. Consolidating an exemplary culture of ethics and compliance

Unethical acts or complicity in unethical acts can constitute major economic and financial risks, as well as risks to the Company's reputation. Ensuring that Colas employees and third parties conduct themselves in an ethical manner is essential.

Colas is strengthening its ethics and compliance culture, with a focus on three key areas:

- identifying risks of corruption and human rights violations and putting in place associated action plans;
- communicating and implementing rules of ethical conduct;
- implementing ethics and compliance processes (by taking action to prevent, detect, flag up, monitor and penalize ethical violations and breaches of compliance rules).

Ethics and compliance are overseen by the Compliance unit within the Legal and Compliance Department and by Group Compliance, reporting to the Group Chief Legal, Compliance and Risk Officer. At the local level, Chief Legal & Compliance Officers are tasked with enforcing compliance across their scope of responsibility. The Colas Group Compliance Procedures affirm the key role played by support departments and each manager in this area.

2.8.1. Identifying risks of corruption and human rights violations and implementing appropriate action plans

CORRUPTION RISK MAPPING

Colas asks its subsidiaries to map their risk of corruption by business line and by country using its ColasMap software.

Entities revised their risk mappings between September 2021 and June 2022, evaluating 22 new scenarios for the purposes of detailed process analysis. To date, more than 60 mappings have been finalized and signed off within the shared ColasMap software. After mapping corruption risks, an action plan is drawn up and adapted to each entity. These action plans are presented to Executive Management during compliance reviews.

HUMAN RIGHTS

The UN Global Compact, signed in 2006, includes the right to freedom of association and collective bargaining as well as a commitment to eliminate discrimination, forced labor and child labor. The Bouygues group (including Colas) confirms its continued commitment to this approach every year.

Since Colas does almost all its business in OECD countries, it has few operations in countries where there is a substantial threat to freedom of association or risks of discrimination or modern slavery. Colas is committed to complying with the fundamental conventions of the International Labour Organization (ILO) and human rights in all countries in which it operates, as well as with specific legislation in various countries such as the Fair Labor Standards Act (FLSC), the Occupational Safety and Health Act (OSHA), the Family Medical Leave Act (FMLA) and child labor laws in the United States and the Canadian Labour Code and Employment Standards Act. To ensure compliance with these fundamental principles, Colas includes CSR risks relating to the duty of care in its procurement policy.

For example, in the United Kingdom, anti-slavery legislation requires companies to publish an annual modern slavery statement highlighting steps taken to combat human trafficking. In accordance with this legislation, in 2022 Colas Ltd updated its policy to cement its commitment to ensuring the personal safety of its people both on construction sites and in offices, particularly those who may be vulnerable. This policy also sets out an action plan to ensure that any problems are flagged up and appropriate action taken. The UK subsidiary of Colas Rail has committed to operate in a business environment free of slavery and human trafficking. The Group's sites in Ireland are also subject to the Protection of Young Persons (Employment) Act 1996, which aims to protect the health of young workers and ensure that their education is not put at risk by work carried out during school years.

In 2022, work was undertaken to update the shared reference framework of "duty of care" risks and, more specifically, human rights risks. This work involved the relevant departments and operational staff and took into account benchmarks and practices associated with international standards (UN Global Compact, Global Reporting Initiative, etc.). This reference framework was signed off by the Duty of Care Committee at Group level and assessments were undertaken to estimate overall exposure to these risks (in terms of both potential impact and likelihood) and the residual scope for improvement so as to define priority actions in areas assessed as representing major risks.

The 2022 vigilance plan sets out the following major risks and associated action plans:

- discriminatory practices (based on ethnicity, gender, religion, geographical origin, etc.);
- failure to comply with domestic and international labor regulations covering local and/or migrant workers;
- unsuitable working conditions and/or accommodation (work equipment; health and safety conditions at construction camps and sites);
- failure to meet minimum levels of salary and employee benefits (pension/retirement benefits and social security).

To identify and assess risks more consistently and systematically, a risk mapping methodology is currently being rolled out across the Group and will be implemented by all Colas entities in 2023 (geographical business units and subsidiaries) *via* a digital platform. The goal is to eventually be able to assess all “duty of care” risks against dedicated matrices for both the Group’s own activities and subcontracted activities in all countries where Colas operates, thus providing a consolidated view of risks and action required to mitigate them.

ASSESSMENT OF THIRD PARTIES

The procedure for assessing third parties uses a risk-based approach underpinned by mappings produced by the Group’s entities. It consists of three distinct levels of controls.

First-level controls are applied by operational teams, who collect identifying information from third parties before entering into any new business relationship and analyze potential risks against a list of risk criteria drawn up by the relevant subsidiary’s Legal and Compliance Department. If one or more risks is identified, the assessment is submitted to the relevant subsidiary’s Legal and Compliance Department, which carries out an in-depth analysis using a dedicated digital tool (Compliance Catalyst). On completion of this analysis, depending on the number of risk criteria identified, the Legal and Compliance Department may either authorize the new business relationship and assign the third party to a risk category or reject the relationship. Due diligence checks are also carried out by operational staff throughout the life of each business relationship. Operational staff also carry out checks to ensure that tasks inherent in first-level operational processes have been performed in accordance with established procedures.

Second-level controls are undertaken by each Legal and Compliance Department, which checks that first-level assessments have been properly completed. Control procedures and frequencies are determined in accordance with the Level 2 Control Plan.

Level 3 controls are undertaken by the Audit Department, which checks that Level 2 controls have been properly applied. The Audit Department also ensures that the control system complies with requirements applicable to Colas.

As of end 2022, 9,389 surveys had been completed using the Compliance Catalyst tool (with an increase in the number of surveys undertaken by international subsidiaries).

2.8.2. Implementing rules of ethical conduct

Implementing rules of ethical conduct involves raising awareness of the Group’s compliance procedures and delivering communications and training.

AWARENESS OF COMPLIANCE PROCEDURES

A compendium of Colas Group compliance procedures was first issued in April 2019, bringing together all internal processes rolled out pursuant to the Code of Ethics. Compliance programs, general principles of internal control and associated tools and documentation were rolled out *via* training and communications campaigns at all levels of the Group. The compendium has since been updated a number of times to reflect changes in the Group’s governance, digitalization of procedures (using the e-Comply tool) and feedback from its first three years in use.

The Code of Ethics (in particular the whistleblowing procedure) was updated in 2022, while the Anti-Corruption Code replaced the former anti-corruption compliance program. Following consultation with employee representative bodies, these documents were incorporated into the rules of procedure of entities governed by French Law. The requirements also provide for the application of disciplinary sanctions where these rules are not observed. At subsidiaries outside France, employees give a written undertaking when submitting compliance documentation.

COMMUNICATIONS

A compliance intranet site was set up on the ColasShare platform in 2020 as a single platform accessible to all Group employees and holding all the relevant materials (ethics documentation, training materials, whistleblowing procedure, etc.).

When the new platform for ethical whistleblowing alerts was rolled out in late 2022, Colas shared a video of the Group Chairman and Chief Executive Officer reiterating the importance of flagging up all instances of unethical behavior.

As it does every year in the run-up to the end-of-year holiday season, Colas also ran a communications campaign on all employees' screen savers specifically covering procedures to be followed in relation to gifts and invitations.

In 2022, Colas France rolled out "ethics starter briefings" across its regions. For example, the Northeastern region ran briefings presenting an in-house memo on ethical rules in force within the Group. In another example, Colas developed a motion design film for use in France, Overseas France and the Indian Ocean region to raise employee awareness of ethical rules by simulating a situation between a superintendent and a customer.

TRAINING

The Applied Ethics and Compliance module, which provides employees with a grounding in the essential principles of compliance documentation and all procedures found in the compendium of Compliance Procedures, was updated in 2021 and issued to Chief Legal & Compliance Officers, who are responsible for coordinating this training across their local areas. This training is designed to familiarize trainees with the core principles of compliance documentation and provide an overview of all relevant procedures. All in all, this training and other training with dedicated ethics content (Colas University courses, Bouygues Management Institute [IMB] training, legal training, etc.) has been delivered to 10,567 employees to date (of which 1,296 in 2022).

Rollout of the Fair Play e-learning module also continued in 2022. This online module, aimed at all employees with a business e-mail address, is designed to help employees explore issues relating to ethical best practice. A total of 5,228 employees completed this training in 2022. This module, which is already available in nine languages, will be made available in a further seven languages in 2023.

There are also initiatives run by various Colas Group entities, for example "legal tours" hosted by the Chairman and the Chief Legal Officer of Colas France, which brought together 1,096 managers to discuss ethical issues. Colas Rail had 1,151 managers take a digital quiz on the subject of compliance programs and applicable procedures, available in eight languages (1,143 managers passed the quiz).

2.8.3. Applying ethics and compliance procedures

Applying ethics and compliance procedures requires commitment from executives and the implementation of monitoring and assessment mechanisms.

EXECUTIVE COMMITMENT

Since 2017, executive commitment has been reflected in the requirement for each executive to sign an ostensible commitment, renewable every two years. A campaign to renew these commitments was undertaken in 2021 covering all managers (from head of department upwards), Company officers and all Purchasing staff. The campaign saw 4,893 commitments signed across all Colas subsidiaries. At Colas SA, the campaign to renew these commitments began in late 2022 and all ostensible commitments have now been signed.

INTERNAL MONITORING AND ASSESSMENT OF MEASURES IMPLEMENTED

Since September 2020, Colas has rolled out the eComply system, which is used to digitize compliance procedures and monitor their proper implementation in real time. Since then, the system has been configured to support a continuous improvement approach. In June 2022, during annual compliance reviews, senior executives from each geographical region presented key indicators to Colas Executive Management highlighting compliance actions delivered (nature and purpose of patronage and sponsorship activities, number of employees trained, number of commitments signed, etc.).

2.8.4. Security of personal data

Given the nature of its business activities, Colas prioritized a policy of protecting its employees' personal data.

Colas put in place a decentralized governance structure, appointing a Colas SA Data Protection Officer (DPO). A legal specialist in personal data protection also joined the Group Legal & Compliance Department.

The Group has published policies on protecting employee data as well as data protection policies aimed at third parties. Procedures on managing the rights of individuals and data violation have also been issued, as well as model contractual clauses. These tools are posted on an intranet site dedicated to GDPR (the ColasShare platform), which is available to all employees in both French and English.

Colas continued to implement its compliance plan in 2022. In particular, this meant having an expert consulting firm review the Group's procedures to make them easier to implement. The Data Protection Officer (DPO) also stepped up activity within the network of correspondents at subsidiaries. Lastly, Colas has continued with its communications campaigns to improve the completion rate of the GDPR awareness module, available in all 18 of Colas' working languages. A total of 7,743 employees have completed this module to date.

Note on methodology

EMPLOYEE INDICATORS

Employee indicators monitored by the Human Resources Department are calculated on the basis of a calendar year from January 1 to December 31. The scope of companies considered in their calculation is a subgroup of the scope of financial consolidation.

For 2022, the calculation rules for employee indicators were the following:

- fully-consolidated companies are 100% consolidated;
- proportionately consolidated companies are 100% consolidated if the percentage owned is above 50%, while the remainder are excluded from the scope;
- equity-accounted associates are excluded.

Employee reporting at Colas is common to all entities worldwide. Indicators are consolidated according to the definitions found in the Bouygues group's employee reporting protocol.

NB: A company acquired during the year is included some of the indicators on the date it was acquired. As a minimum, the following indicators should be provided:

- worldwide: Workforce by geographical location, breakdown by gender;
- France (only if the acquisition takes place in the first half of the fiscal year): Female managers, female executives, female "high-flyer" executives.

Indicators requiring gradings (female managers, female executives, female "high-flyer" executives) are expected on different dates depending on the desired scope in order to leave enough time for the grading to be rolled out.

These indicators are expected for France:

- for year N if acquired in the first half of year N;
- for year N+1 if acquired in the second half of year N.

These indicators are expected for Worldwide:

- for year N+1 if acquired in the first half of year N;
- for year N+2 if acquired in the second half of year N.

Indicators	Scope	Unit	2020	2021	2022
Attracting, developing and retaining talent through managerial excellence					
Workforce					
Workforce by geographic location ⁽¹⁾	World	Number	54,651	55,411	57,607
<i>Total France (Mainland + Overseas)</i>		Number	29,835	29,105	29,315
<i>Europe</i>		Number	9,912	9,729	11,595
<i>Indian Ocean/Africa/Middle East</i>		Number	6,140	7,318	7,111
<i>North America</i>		Number	7,266	7,932	8,396
<i>Asia/Pacific (including New Caledonia)</i>		Number	822	769	823
<i>Central America/South America</i>		Number	676	558	367
<i>Total International</i>		Number	24,816	26,306	28,292
New hires					
External hires by status	World	Number	17,881	20,347	21,720
<i>Total France</i>	France	Number	2,679	3,598	3,879
<i>Managers</i>	France	Number	447	649	725
<i>Office staff, technicians and supervisors</i>	France	Number	650	998	1,118
<i>Workers</i>	France	Number	1,582	1,951	2,036
<i>Total International ⁽²⁾</i>	International including New Caledonia	Number	15,202	16,749	17,841
<i>Managers</i>	International including New Caledonia	Number	2,536	3,165	4,758
<i>Workers</i>	International including New Caledonia	Number	12,666	13,584	13,083
Number of leavers by reason	World	Number	19,964	18,769	18,885
<i>Number of leavers in France (under permanent contracts only)</i>	France (Mainland + Overseas)	Number	2,909	3,376	2,884
<i>Redundancies (all reasons)</i>	France (Mainland + Overseas)	Number	1,203	1,210	1,090
<i>Mutually agreed terminations</i>	France (Mainland + Overseas)	Number	412	625	257
<i>Resignations</i>	France (Mainland + Overseas)	Number	751	980	1,017
<i>Other (retirement, death, termination or end of trial period)</i>	France (Mainland + Overseas)	Number	543	561	520
<i>Number of leavers outside France</i>	International including New Caledonia	Number	16,289	14,587	15,300
Gender balance					
Workforce by gender ⁽³⁾	World	-	-	-	-
<i>Women</i>	World	%	11.31	11.44	12.25
<i>Men</i>	World	%	88.69	88.56	87.75
Proportion of women in the Group ⁽³⁾	World	-	-	-	-
<i>Female staff ⁽⁴⁾</i>	World	%	22.05	22.33	22.98
<i>Female workers ⁽⁴⁾</i>	World	%	2.89	2.54	2.92
<i>Female managers ⁽⁵⁾</i>	World	%	17.32	18.59	19.97
<i>Female executives ⁽⁶⁾</i>	World	%	8.90	11.08	12.97
<i>Female "high-flyer" executives ⁽⁷⁾</i>	World		6.90	12.80	13.33
<i>Female members of executive bodies ⁽⁸⁾</i>	World	%	6.70	15.38	13.33
Disability					
Number of employees with disabilities (permanent and temporary)	France (Mainland + Overseas)	Number	865	771	788
Number of employees with disabilities recruited (fixed-term and permanent contracts)	France (Mainland + Overseas)	Number	14	6	17
Revenue by companies that employ people with disabilities	France (Mainland + Overseas)	€	1,224,644	1,223,751	1,617,873

Indicators	Scope	Unit	2020	2021	2022
Training					
Number of employees trained ⁽⁹⁾	World	Number	37,937	36,722	40,987 ⁽¹⁰⁾
Number of days of training ⁽⁹⁾	World	Number	111,426	82,027	107,543 ⁽¹⁰⁾
Number of people under apprenticeship contracts taken on during the year	France (Mainland + Overseas)	Number	477	604	866
Number of people under vocational training contracts taken on during the year	France (Mainland + Overseas)	Number	142	110	145
Fostering a stronger health and safety culture to protect lives					
Safety					
Frequency rate of employee workplace accidents ⁽¹¹⁾	World	%	6.12	5.04	4.53
Severity rate of employee workplace accidents ⁽¹²⁾	World	%	0.44	0.40	0.33
Number of fatal employee accidents ⁽¹³⁾	World	Number	5	1	2
Health					
Number of employees recognized as suffering from an occupational illness during the year	World	Number	73	113	95
Number of consecutive lost-time days following workplace accidents	World	Number	47,232	43,458	37,549
Absenteeism rate ⁽¹⁴⁾	France (Mainland + Overseas)	%	5.99	6.13	6.07
Number of hours worked	World	Number	106,272,726	108,038,151	113,397,955

- (1) Workforce as of December 31, which corresponds to all individuals working under an employment contract of any type for a company within the scope of consolidation or receiving direct compensation for their work from said company, excluding those having entered into a business contract (such as a service agreement) with the Company.
- (2) Outside France, the total number of employees hired over the year is recognized, regardless of the nature of the employment relationship ("permanent" or "seasonal" employees).
- (3) All types of contract (permanent, temporary, seasonal).
- (4) A job grade distinction is made between workers (whose work typically involves industrial or manual labor) and staff (office staff, technicians and supervisors).
- (5) Managers are identified by grade determined on the basis of Job Code. This position corresponds to Levels 50 and above.
- (6) Executives are identified by grade determined on the basis of Job Code. This position corresponds to Levels 70 and above.
- (7) High-flyers: employees in 9-Box categories A2 - A3 and B3.
- (8) Members of the Strategy Committee and the Executive Management Committee counted as of December 31.
- (9) Figures related to training are consolidated in fiscal year Y for the period Y-1.
- (10) Including e-learning.
- (11) Number of lost-time accidents x 1,000,000/Number of hours worked, not including accidents following sudden health incidents or commuting accidents. These are accidents declared and recognized by the competent authorities, e.g., the CPAM in France.
- (12) Number of working days lost x 1,000/Number of hours worked, in line with the regulatory definition of "Severity rate": "Working days lost in the current year are taken into account even if the accident occurred in the three previous calendar years."
- (13) The number of fatal accidents relates to the registered workforce and consists of accidents linked to occupational activities resulting in death, including road traffic accidents. Commuting accidents and fatal accidents following sudden health incidents are not included.
- (14) Permanent contracts; this indicator measures the number of working days lost due to workplace accidents, commuting accidents, illness or occupational illness, in proportion to the number of calendar days.

ENVIRONMENTAL AND SOCIAL INDICATORS

Environmental and social indicators are collected worldwide and calculated over a non-calendar year from October 1 of the previous year to September 30 of the current year.

The scope includes entities falling within the financial scope, namely:

- fully consolidated companies;
- proportionally consolidated companies.

The following are out of scope starting in 2022:

- equity-accounted associates;
- companies not meeting the financial materiality thresholds.

In 2022, the scope of non-financial reporting covered 100% of Colas' consolidated revenue, as in previous years; only the number of entities was affected, with entities not consolidated in the Group's financial reporting no longer included.

A summary of consolidation rules applicable from 2022 is given in the table below.

	Financial consolidation	Non-financial consolidation	≠
Exclusive control = full consolidation	100% (between 50% and 100% control)	Application of percentage of integration	≠
Joint control = proportionately consolidated (for economic interest groups in France, partnerships and joint ventures)	Application of percentage of integration	Application of percentage of integration	=
Significant influence or joint venture = equity method (for partnerships and joint ventures)	Non-consolidated	Non-consolidated	=

As a result of new rules on the scope of consolidation, all historical values shown have been recalculated using the consolidation rules introduced in 2022.

Colas also initiated an overhaul of its non-financial reporting arrangements in 2022. This overhaul forms part of a wide-ranging multi-year action plan that includes a variety of improvements spanning methodology, reporting tools and the content and definition of indicators, with the aim of adapting reporting arrangements in light of current and future sustainability issues and ensuring that reporting reflects the Group's sustainability performance. Definitions and/or calculation methods have thus been changed for some indicators, with the result that they are no longer comparable with historical values. In such cases, the historical values of redefined indicators are not shown in the document.

In addition, the new methodology for counting Scope 3a CO₂ emissions is based on physical flows and expenditure data retrieved from Colas' information systems. Historical data stored in these information systems cannot be used to recalculate Scope 3a CO₂ emissions based on this new methodology. Consequently, since comparisons with 2022 are not possible, the following values are not shown for 2020 and 2021:

- scope 3a totals;
- values for significant sources within Scope 3a;
- Colas' total carbon footprint.

Indicators	Scope	Unit	2020 ⁽²⁾	2021 ⁽²⁾	2022
Offering customers and users solutions that meet the challenges of sustainable development					
Environmentally friendly alternatives					
Number of suggestions made using an eco-comparison tool	World	Number	91	198	325
Greenhouse gas emissions avoided thanks to environmentally friendly alternatives selected	World	tCO ₂ e	1,279	4,555	7,261
Roll out a low carbon and biodiversity strategy to preserve the planet					
Alternative freight					
Number of metric tons of materials transported by rail and/or waterway	World	Mt	6.9	7.3	7.7
Average number of kilometers traveled by rail	World	km	344	315	287
Average number of kilometers traveled by waterways	World	km	413	488	513
Onboard telematics					
Percentage of vehicles with onboard telematics	World	%	27	30	33
Percentage of machinery with on-board telematics	World	%	34	34	37
Energy and emissions: drying at asphalt plants					
Energy consumption from drying per metric ton of mix sold	World	kWh/t	81.5	80.9	79.6
Greenhouse gas emissions from drying at asphalt mixing plants per metric ton of mix sold	World	kCO ₂ e/t	18.6	19.2	18.8
Carbon footprint/GHG emissions					
Carbon footprint	World	MtCO ₂ e	- ⁽³⁾	- ⁽³⁾	11.2
GHG emissions - Scope 1	World	MtCO ₂ e	1.6	1.7	1.5
GHG emissions - Scope 2	World	MtCO ₂ e	0.1	0.1	0.1
GHG emissions - Scope 3a	World	MtCO ₂ e	- ⁽³⁾	- ⁽³⁾	9.6
Biodiversity					
Percentage of CAE ⁽¹⁾ from aggregate production activities taking action to promote biodiversity	World	%	43	54	35
Reducing the impact of our activities to bolster acceptability					
Environmental impacts/environmental checklists					
Percentage of CAE ⁽¹⁾ from materials activities managing their environmental impacts (Colas environmental checklist)	World	%	80	85	84
Waste management					
Percentage of CAE ⁽¹⁾ from materials production activities with a waste management system in place	World	%	-	-	58
Local dialogue					
Percentage of CAE ⁽¹⁾ from materials activities with an organization for local dialogue	World	%	41	45	32
Water stress					
Percentage of CAE ⁽¹⁾ from stationary activities located in areas facing extremely high water stress	World	%	6	6	6
Water self-sufficiency rate of areas facing extremely high water stress	World	%	41	79	91
Percentage of CAE ⁽¹⁾ from stationary activities in areas subject to extremely high water stress covered by an action plan	World	%	56	51	60
Fume and dust extraction					
Percentage of finishers equipped with a bitumen fume extraction system	World	%	67	71	80
Percentage of asphalt planers equipped with a dust extraction system	World	%	60	59	67

Promoting circular economy solutions to preserve natural resources

Recycling

Quantity of materials recycled	World	Mt	- (4)	- (4)	11.4
Percentage of reclaimed asphalt pavement used in hot and cold mixes sold	World	%	16.1	16.5	17.5

(1) CAE: revenue + intra-Group transactions and disposals.

(2) 2020 and 2021 data has been recalculated based on the new non-financial consolidation rules.

(3) The new methodology for counting Scope 3a CO₂ emissions is based on physical flows and expenditure data retrieved from Colas' information systems. Historical data stored in these information systems cannot be used to recalculate Scope 3a CO₂ emissions based on the new methodology.

(4) Values for 2020 and 2021 cannot be recalculated using the new definition of this indicator.

3. BUSINESS ACTIVITY

3.1. Fiscal year 2022

The key figures for fiscal year 2022 are shown in the table below:

in millions of euros	2021	2022	Change vs 2021	At constant scope and exchange rates
Revenue	13,226	15,529	+17%	+9%
of which France	6,051	6,241	+3%	+3%
of which International	7,175	9,288	+29%	+14%
Current operating profit from activities ⁽¹⁾	447	468	+21	
Profit margin from activities	3.4%	3.0%	-0.4 pt	
Current operating profit	440	460	+20	
Operating profit	430 ⁽²⁾	460	+30	
Net profit attributable to the Group	261	301	+40	
Free cash flow	358	287	-71	
Net surplus cash/(Net debt)	(33)	(292)	-259	

(1) Current operating profit before amortization of intangible assets recognized from acquisitions.

(2) Including €10 million in non-current expenses relating to the acquisition of Destia and ongoing work on the dismantling of the Dunkirk site.

Colas' consolidated revenue for fiscal 2022 amounted to €15.5 billion, up 17% compared to 2021 (+9% at constant scope and exchange rates). The increase was seen in both France (+3% and +3% at constant scope) and in the Group's global operations (+29% and +14% at constant scope and exchange rates). With revenue at €9.3 billion, business in the international units outside of France accounted for 60% of total revenue. Revenue in France totaled €6.2 billion, or 40% of the total.

Revenue generated by the Roads segment rose to €14.2 billion, up 19% compared with 2021 (+10% at constant scope and exchange rates):

- in the France-Indian Ocean zone, revenue is up 4% against a backdrop of rising prices and slumping volumes for industrial production;
- in the EMEA zone (Europe, Middle East, Africa), revenue rose 16% at constant scope and exchange rates. Inflation was particularly high in Central Europe. Destia's contributed more than €600 million for the year;
- in the United States, revenue jumped a sharp 16% at constant scope and exchange rates, due to inflation, particularly in the industrial production segment;
- in Canada, revenue rose 12% at constant scope and exchange rates, mainly due to the increase in the price of bitumen sold by McAsphalt;
- lastly, in the Asia-Pacific region, revenue was up 22% year-on-year at constant scope and exchange rates.

Revenue for Railways and Other Activities showed a 3% increase from 2021 (+2% at constant scope and exchange rates), boosted by Colas Rail's international activities.

Current operating profit from activities (COPA) amounted to €468 million, up €21 million from 2021. This corresponds to current operating profit before amortization of intangible assets recognized from acquisitions, for €8 million, €7 million of which pertain to the acquisition of Miller McAsphalt. Action plans to offset the impacts of inflation (higher raw material prices, price adjustments, etc.) continued to make headway in the 4th quarter. COPA for the 2nd half of 2022 is up €79 million compared to the 2nd half of 2021, including €40 million for the 4th quarter.

Current operating profit totaled €460 million, up €20 million from 2021.

Operating profit totaled €460 million, up €30 million compared to 2021.

The financial result amounted to -€68 million compared to -€41 million in 2021.

The share of net profit of joint ventures and associates totaled €49 million, up €27 million from 2021.

Lastly, net profit attributable to the Group amounted to €301 million up €40 million from 2021.

Colas' net debt totaled €292 million at end-December 2022, compared to €33 million at end-December 2021:

- free cash flow came in at €287 million in 2022, compared to €358 million in 2021;

- changes in working capital requirements amounted to -€251 million compared to -€140 million in 2021. This mainly reflects the increase in the value of stock inventories in the wake of raw materials price hikes, as well as an increase in receivables;
- investments in non-current financial assets totaled €91 million, €125 million less than in 2021. In 2022, Colas acquired the German group Hasselmann, which specializes in the construction of railways and railway infrastructure.

As a reminder, 2021 included the acquisition of Destia in Finland for €222 million (excluding acquisition costs);

- finally, dividends were paid out for an amount of €228 million, €132 million more than in 2021.

Shareholders' equity amounted to €3.2 billion at end-December 2022 compared to €3.0 billion at 31 December 2021. Colas' financial position is solid with a net debt ratio of 9% at the end of 2022.

3.2. Business activity 2022

The breakdown of revenue by business segment is as follows:

in millions of euros	2021 ⁽¹⁾	2022	Change vs 2021	At constant scope and exchange rates
Roads France – Indian Ocean	5,688	5,939	+4%	+4%
Roads EMEA (Europe, Middle East, Africa)	2,267	3,245	+43%	+16%
Roads United States	1,687	2,210	+31%	+16%
Roads Canada	1,937	2,347	+21%	+12%
Roads Asia – Pacific	339	434	+28%	+22%
Total Roads	11,918	14,175	+19%	+10%
Railways & Other Activities	1,302	1,346	+3%	+2%
Parent company	6	8	ns	ns
TOTAL	13,226	15,529	+17%	+9%

(1) In 2022, Latin America began reporting to EMEA. The figures have been restated to reflect this reorganization.

3.2.1. Roads (Revenue in 2022: €14.2 billion)

The Roads business ⁽¹⁾ posted total revenue of €14.2 billion in 2022, up 19% from the €11.9 billion generated in 2021 (+10% at constant scope and exchange rates). Roads represented 92% of the Group's revenue.

The revenue and percentage figures relate to two segments:

- road construction and maintenance (including road safety and signaling): €11.0 billion, i.e., 71% of total Group revenue;
- sales of Construction materials to third parties: €3.2 billion, i.e., 21% of total Group revenue.

3.2.1.1. ROADS FRANCE & INDIAN OCEAN (Revenue in 2022: €5.9 billion)

The Roads business in Mainland France, Overseas France and the Indian Ocean generated total revenue of €5.9 billion in 2022, up 4% compared to revenue in 2021 (+4% at constant scope and exchange rates).

Mainland France

The Roads business in Mainland France generated revenue of €5.3 billion, up 4% from revenue in 2021.

The year 2022 was marked by the energy crisis and the war in Ukraine, including a sharp increase in energy prices and high inflation. In order to keep the impact to a minimum, measures have been taken, e.g., the roll out of a variable add-on energy contribution on aggregates.

Colas continued to focus on its solutions to support more innovative, sustainable mobility, in line with its CSR commitments. In particular, the Group is performing an increasing number of projects to help decarbonize mobility, reduce soil sealing, and fight Urban Heat Islands (UHI). Examples include Vegecol, a light-colored mix made from a more than 80% plant-based binder, used on a greenway development project in the Oise *département* in France; Vegeroad, also a low carbon product, used on about fifteen construction projects, including the Route 15 in the Eure-et-Loir *département*; the light-colored, permeable surfacing solution Urbalith, made with an organo-mineral binder designed to fight UHIs, which was used on school playgrounds,

(1) The Roads segment described herein includes the construction and maintenance of road infrastructure, including road safety and signaling, as well as the Construction materials business (sales of materials to third parties). These two businesses are combined in one segment because this is the way in which business units in the Group operate. Colas' road subsidiaries perform construction and maintenance of road infrastructure, and they produce construction materials and sell them to third parties.

for example, Gujan-Mestras in Gironde and Gennevilliers in Hauts-de-Seine; Easyroad cold mix, applied in Paris, in the 18th arrondissement.

In terms of circular economy, Colas has launched a network of 160 construction rubble and waste reception facilities across all of France, with two new service offerings, Valormat and Ecotri, for construction and landscaping professionals. Backed by the Group's renowned expertise in the recycling of construction materials, these facilities provide a second life to materials sourced from construction and deconstruction projects, thus providing an answer to the challenge of preserving natural resources.

In 2022, a total of nearly 40,000 construction projects were carried out by Colas' roads, safety and signaling subsidiaries in Mainland France. Among the significant projects carried out or currently under way: the widening to six lanes of a 25 km section of the A10 Motorway between Veigné and Sainte-Maure-de-Touraine; construction of the Porte de Gesvres exit on the A11 Motorway near Nantes; the completion of road renewal work on the A63 Motorway; renovation of the runway at Luxembourg airport and the construction of parking areas at the Istres air base; completion of the extension of the port of Calais; the completion of the construction of line B of the Angers tramway, and the beginning of work related to the extension of the Marseille tramway as well as that of line 1 of the Nantes tramway.

Overseas France and Indian Ocean

Revenue from Overseas France and the Indian Ocean totaled €0.7 billion in 2022, up 9% from 2021 (+8% at constant scope and exchange rates).

In the **French Caribbean and French Guiana**, market trends vary from one area to another. In Guadeloupe, business is holding steady despite the sharp rise in energy prices. In Martinique, business is on the rise, benefiting from the completion of the Grand-Rivière wind farm. In French Guiana, the construction segment remained strong, boosted in particular by continued work on line A of the Cayenne Bus Rapid Transit network, carried out as part of a consortium (financing, design, construction, maintenance and upkeep); the production of construction materials (quarries, concrete, blocks, etc.) remained steady.

In **Reunion Island**, in an unfavorable environment marked by a downward trend in the construction segment and lower prices, Colas conventional public works, civil engineering and building (hospitals, social housing, commercial premises) activity was stable. Industrial activity remained stable. Construction work on the Energy Recovery Unit for waste incineration in Pierrefonds has begun, and work on the extension and restructuring of the Groupe Hospitalier Sud-Réunion (GHSR) continued.

In **Mayotte**, activity remains at a high level, benefiting from strong growth in the construction market and the roll out of a convergence and transformation plan in all sectors (roads, housing, hospitals, water, etc.). Construction work on the Dembeni technology park, the Combani shopping center and the Caribus reserved-lane public transport network has begun.

In **Madagascar**, business was boosted by major projects designed to modernize the road network and public transport, including the rehabilitation of 130 km of Route RN6 and nearly 60 engineering structures on Route RN13.

In **Mauritius**, activity remained strong despite the delay in the start-up of several projects.

3.2.1.2. ROADS EMEA (EUROPE, MIDDLE EAST, AFRICA)

(Revenue in 2022: €3.2 billion)

The Roads business in Europe, the Middle East and Africa generated revenue of €3.2 billion in 2022, up 43% (+16% at constant scope and exchange rates) compared to 2021.

United Kingdom & Ireland

In the United Kingdom and Ireland, revenue from the Roads business totaled €0.5 billion in 2022, up 19% compared to 2021 (+14% at constant scope and exchange rates).

In the **United Kingdom**, where competition remains very tight, business continues to be boosted by government infrastructure plans. The subsidiary rolled out its transformation plan designed to adapt its offer to the market at a regional level across a network of works agencies. Several major contracts have been won, such as the 7 year Cheshire West & Chester highways delivery partner contract and the reinforcement of the main runway at Gatwick airport. The 8-year Maintenance and Response Contract for Area 9 Midlands started in April 2022. For the second year running, Colas has been a signatory to the Procurement Policy Notice (PPN) 06, which commits companies operating on public contracts to measuring and achieving CO₂ reduction targets in line with the government's objectives of carbon neutrality by 2050. Concrete actions are being implemented, such as the use of low carbon and decarbonized energy, as well as testing of low carbon asphalt mixes. The first Recycol project (in-place pavement recycling) was completed in Coventry.

In **Ireland**, Colas companies enjoyed buoyant business. They also demonstrated their ability to present low carbon solutions to the market with the "Go Green" offer. The strategy of diversifying into roadworks, which took shape with the acquisition of two roadworks companies at the end of 2021, continued.

Western Europe

In Western Europe, revenue for the Roads segment was up 23% from 2021 at €0.5 billion (+20% at constant scope and exchange rates).

In **Belgium**, the year was witness to continued work on the first line of the Liège tramway carried out by a consortium including Colas Projects, Colas Belgium and Colas Rail Belgium as part of a PPP (design, financing, construction and maintenance). In a competitive market, the Group's traditional business has benefited from a recovery in public and private investment, mainly in Flanders.

In **Switzerland**, business was upbeat, driven by strong activity in the production and sales of aggregates and conventional contracting with private customers.

Northern Europe

In Northern Europe, the Roads business generated €0.8 billion in revenue in 2022, a sharp increase from 2021 (+12% at constant scope and exchange rates), following the acquisition of the Destia group, a major player in road and rail infrastructure in Finland, on December 1, 2021.

In **Finland**, where the market is rather well oriented despite a geopolitical context marked by the war in Ukraine, the integration of the Destia group is proceeding well.

In **Denmark**, the materials production and infrastructure business remains difficult in a highly competitive market.

In **Iceland**, the market is dynamic and well-oriented, and the Colas subsidiary enjoyed buoyant business in the construction segment, boosted in particular by the rehabilitation of the two main runways at Reykjavik airport.

Central Europe

In Central Europe, 2022 revenue from the Roads segment amounted to €0.9 billion, up compared to 2021 (+8%, and +10% at constant scope and exchange rates).

Business was impacted by the consequences of the war in Ukraine as of the end of February: an unstable and unpredictable economic and political environment, significant price increases mainly for raw materials and for energy, and a sharp jump in inflation during the second half of the year.

In the **Czech Republic**, construction work on the test track of BMW's Future Mobility Development Centre in the Sokolov region continued and the reinforcement of a section of the D48 Motorway in the Ostrava region began. The production and sale of aggregates remained strong. In **Hungary**, business was down after the completion of major Motorway projects financed by the European Union. In **Poland**, business was up, even though it was impacted by higher raw material prices. Work on the Waksmund bypass is ongoing. In **Slovakia**, business is now refocused on Roads, after the sale of Colas' concrete and precast units. In **Romania**, business focused on the production and sales of building materials is on the rise. In **Croatia**, the contracting business is growing with the completion of the Sisak-Lekenik section on the A11 Motorway, and the production and sales of aggregates is upbeat. In **Slovenia**, business is relatively stable in a low-volume market.

North Africa, Central Africa and West Africa

In Morocco, Central Africa, and West Africa, revenue for the Roads business totaled €0.4 billion in 2022, up 18% (+18% at constant scope and exchange rates) compared to 2021.

In **Morocco**, business in the contracting and industrial segments remained strong, with in particular the completion of the Khouribga test track and the Casablanca BRT, as well as the distribution of bitumen.

In **West Africa**, business enjoyed a sharp increase. In **Côte d'Ivoire**, business was mainly boosted by the construction of two sections of the Route de l'Est and four engineering structures financed by UK Export Finance (UKEF). In **Benin**, the year was marked by the completion of work on Boulevard de la Marina in Cotonou and continued progress on the Ouèdo-Tori road. In **Senegal**, business included work on Matam airport and the construction of country roads.

In **Gabon**, after a period of sharp decline in public procurement, business is recovering, specifically with a road rehabilitation contract for Greater Libreville and the completion of works for the Société d'Exploitation du Transgabonais.

Middle East, Southern and Eastern Africa

In the Middle East and Southern and Eastern Africa, revenue for the Roads segment amounted to €43 million in 2022, up 65% compared to 2021 (+54% at constant scope and exchange rates).

In the **Middle East (United Arab Emirates and Qatar)**, where Colas' activities benefit from a stabilized political and economic environment, the Roads business in the United Arab Emirates is growing, boosted in particular by private customers in Abu Dhabi. As a reminder, these subsidiaries are consolidated using the equity method and therefore do not contribute to consolidated revenue. In **Southern and Eastern Africa**, business – which mainly comprises industries – is upbeat, despite a difficult political and economic environment in **South Africa**. The South African company Dust-A-Side (Colas holds a 50% stake), which specializes in dust suppression solutions and maintenance of access roads on mine sites, is continuing to grow on the international stage. It should be noted that Dust-A-Side is consolidated using the equity method and therefore does not contribute to consolidated revenue.

Latin America

Business in Latin America reports to EMEA as of 2022.

In **Chile**, the road works company Asfalcura and its subsidiary Oil Malal, which specializes in the import, processing and distribution of bitumen and bituminous products, are continuing to grow, particularly in roads and networks, as well as bitumen exports.

In **Peru**, activity was put on hold in a market that was severely impacted by political uncertainties.

Continental Bitumen Ltd

Created in 2020 as part of the Colas Group's industrial strategy, Continental Bitumen Ltd is responsible for securing bitumen supplies and developing a bitumen distribution and trading business across the EMEA zone. A total of 1.3 million tons of bitumen are purchased each year in this specific geography.

The logistical resources needed for this new business are currently being rolled out, with in particular the commissioning, scheduled for 2023, of two bitumen tankers with a unit capacity of 20,000 tons and a 25,000-ton bitumen storage terminal in the United Kingdom. Other prospects are being studied, either for investment or lease, to complete the network.

The year 2022 was marked by high volatility in the price of refined products, resulting from the post-covid recovery, the war in Ukraine and sanctions against Russia. The organization put in place has made it possible to manage the price fluctuations as smoothly as possible and to maintain distribution margins. Nevertheless, higher prices impacted demand and led to a nearly 10% drop in bitumen consumption in the EMEA.

With its logistics resources – sea, road and rail – and diversified sources, Continental Bitumen Ltd was able to supply 40% of the bitumen used by the Group in its scope, as well as to develop sales to third parties, which represented nearly 15% of its activity in 2022.

3.2.1.3. ROADS UNITED STATES (Revenue in 2022: €2.2 billion)

The Roads business in the United States generated revenue of €2.2 billion in 2022, up 31% from 2021 (+16% at constant scope and exchange rates).

In an economic environment marked by high inflation, that has in turn impacted employment and business, the increase in revenue figures is mainly due to higher wages, higher prices for energy and bitumen, and higher transportation costs. The year was also witness to a stable business in the materials segment in terms of volume for aggregates, whereas asphalt mix was up slightly, despite higher prices for bitumen. While the \$1.2 trillion federal infrastructure plan had little effect in 2022, it may offset a slight recession in 2023. A major contract to refurbish and expand the taxiway D at the Los Angeles International Airport was won late in the year. A company was acquired in Colorado.

Significant projects completed or in progress in 2022 include the refurbishment of an 18-km section of Interstate 80 in Jefferson County, Pennsylvania; widening and reconstruction of a 7-km section of Highway 17 in Jasper County, South Carolina; rehabilitation of a 7-km section of Interstate 55 in Mississippi County, Arkansas; repaving on Interstate 76 in Logan County, Colorado; widening and paving of highways and freeways in San Bernardino County, California; refurbishment of a section of Sterling Highway including cut, fill, drainage and animal crossings, and renovation of a section of Seward Highway including three major structures, in Alaska.

3.2.1.4. ROADS CANADA (Revenue in 2022: €2.3 billion)

The Roads business in Canada generated revenue of €2.3 billion in 2022, up 21% compared to 2021 (+12% at constant scope and exchange rates).

Against a backdrop of continuing economic recovery, along with inflation, a sharp hike in energy prices and supply disruptions for some raw materials, the road construction business was up in British Columbia, up in Alberta in the Calgary region, stable in Ontario and down slightly in Quebec. McAsphalt's bitumen distribution activity is down in terms of volume, particularly in Eastern Canada. The project to design, build and finance the extension of the Valley Line West light rail transit system in Edmonton, Alberta, is currently under way, carried out by a consortium led by Colas, including Colas Canada, Colas Rail Canada and Colas Projects Canada.

Other significant projects completed or currently in progress in Canada in 2022 include the transformation of the Yellowhead Trail expressway into a freeway in northern Edmonton, and the rehabilitation of several road sections in Grande Prairie, Alberta; the completion, under a five-year contract renewable for two years, of road marking on 42,000 kilometers of road network in British Columbia; the widening of Britannia Road in Milton in the Greater Toronto Area, the reconstruction of an interchange in the Niagara Region, the rehabilitation of four engineering structures and the refurbishment and widening of a 10-km section of Highway 401 in Toronto, the maintenance of the New Liskeard and Cochrane roadways under two seven-year contracts in Ontario; the redevelopment of Promenade Samuel-de-Champlain in Quebec City and the reconstruction of Highway 20 in Saint-Apollinaire, Quebec.

3.2.1.5. ROADS ASIA – PACIFIC (Revenue in 2022: €0.4 billion)

In 2022, revenue for the Roads business in the Asia-Pacific zone amounted to €0.4 billion, up 28% compared to 2021 (+22% at constant scope and exchange rates).

Asia

As a reminder, the Thai subsidiary Tipco Asphalt (of which Colas owns 31%) and Indian subsidiary Hincol (of which Colas owns 30%) are consolidated using the equity method and therefore do not contribute to consolidated revenue.

In **Asia**, business levels were satisfactory at Tipco Asphalt, with solid business in Thailand and Vietnam. Construction work on runway 3 at Bangkok International Airport, carried out by a consortium with the Thai subsidiary TWS, continued in 2022, drawing on the expertise of Colas Projects. In India, despite poor weather and an increasingly competitive market, Hincol recorded a further increase in its level of activity and performed well. Business in South Korea is carried out by the joint venture Isco.

Pacific

In **Australia**, where business was impacted by unfavorable weather and high inflation, the roadworks segment was stable, while bitumen and emulsion sales were down slightly. Two quarries were acquired in Queensland and Victoria, and a quarrying operation was started in Tasmania. Asphalt paving work was carried out for a new airport located to the west of Sydney. In **New Zealand**, against a backdrop of post-covid economic recovery, roadworks and bitumen sales were on the rise.

In **New Caledonia**, in an economic environment that remains difficult due to rising prices and the ongoing development of a new institutional framework following the December 2021 referendum, the industrial and roadworks segments have recovered slightly. Building remains at a relatively low level.

3.2.2. Railways and Other Activities

(Revenue in 2022: €1.3 billion)

Railways and Other Activities generated revenue of €1.3 billion in 2022, up 3% (+2% at constant scope and exchange rates) compared to 2021. Combined, these segments represent 8% of the Group's total revenue.

3.2.2.1. RAILWAYS

(Revenue in 2022: €1.2 billion)

In 2022, Colas Rail posted revenue of €1.2 billion, up 4% (+2% at constant scope and exchange rates) compared to 2021, with more than 70% of its business generated outside of France.

In **France**, business was down slightly, due in particular to the completion of the ballast track renewal campaign on the RER A in the summer of 2021. The major track and catenary business continued to benefit from the two major rail network renewal and maintenance contracts currently under way: one for three years, relating to the renewal of ballast and sleepers on four high-speed lines; the other for five years, covering catenary systems on the entire national network. The regional Track, Ballast and Catenary Systems activities were impacted by a drop in the number and volumes of bids and by a highly competitive environment. The Rail safety business continued to grow. The metro and tramway segments benefited from the continuation of work on the metro line 15 South - East sector as part of the Greater Paris project, the completion of the extension of line 14 South in Paris and the construction of line B of the Lyon metro, as well as tramway projects such as the T3 West in Paris and line B of the Angers tramway. In 2022, actions to improve operating performance have been pursued.

In the **United Kingdom**, the rail market remains buoyant despite the economic and political environment. The level of business is once again on the rise: in spite of railway strikes, work continued on the Rail Systems Alliance contract in the South of England, including track renewal, signaling, electrification and civil engineering, and a five-year extension of this alliance contract was signed in 2022; urban development projects with,

as part of the MMA (Midlands Metro Alliance) contract, the start-up of new projects for the extension of the Birmingham tramway; as well as freight activities and services. Business in the catenary systems subsidiary Lundy Projects is down.

In **Continental Europe**, Colas Rail sold its subsidiary Colas Rail Belgium on September 30, 2022 as part of the acquisition of Equans by Bouygues, at the request of the European Commission's Directorate General for Competition. Colas Rail also completed the acquisition of the Hasselmann Rail Group in Germany on October 4, 2022. Business was up in the Czech Republic, stable in Switzerland and Italy, and down in Poland with lower bid volumes in a highly competitive market.

In the **Rest of the World**, an increase in the time required to award contracts during the bidding process as a result of the health crisis led to slower business in certain countries. In the MEA (Middle East Africa) zone, business was brisk in Egypt with the completion of several lines of the Cairo metro and the award of a contract for the Line 4 project; activity was upbeat in Morocco with urban development projects, notably in Casablanca; in Tunisia, the RFR Line E project was provisionally accepted; and in Côte d'Ivoire, a new addendum to the contract was signed for Line 1 of the Abidjan metro, meaning that work was able to start. Activity in South America is on the rise in Chile, where several projects are under way, mainly for the Santiago metro and the Chilean national railway company EFE, and in Panama with the start of the Panama City metro line 3 project. In Canada, where Colas Rail has been operating since 2020 and where major investments in rail infrastructure are expected, business benefited from two major urban rail contracts: one to build the tracks for the Metrolinx Finch West light rail line in Toronto (Ontario), which is nearing completion, and one to design, build and finance (as part of a consortium) the extension of the Valley Line West light rail line in Edmonton (Alberta), which is gaining momentum. In Asia, business is growing, driven by the project to replace the power supply for the Bukit-Panjang LRT line in Singapore and the start of the turnkey design and construction project for the rail system on the first underground line of the Manila metro in the Philippines (Colas Rail's first project in this country).

3.2.2.2. WATER & ENERGY TRANSPORT

(Revenue in 2022: €0.2 billion)

Spac posted 2022 revenue amounting to €0.2 billion, up 2% compared to 2021.

In France, in a business environment that remains impacted by the absence of major natural gas projects, activity in the regional agencies is down. Construction work began on a 225,000-volt double underground link to connect the Dieppe - Le Tréport offshore wind farm.

Elsewhere around the world, the year was witness to the completion of a gas substation in Côte d'Ivoire and, in Germany, to work to bury and draw high-voltage cables for the German Corridor project (aimed at transporting the electricity produced by offshore wind farms in the north of the country to consumer homes in the south).

4. SIGNIFICANT EVENTS SINCE THE FISCAL YEAR-END

There have been no significant events in the life of the Company since the fiscal year-end.

5. OUTLOOK

The order backlog at the end of December 2022 totaled €11.7 billion, up 9% over the year (up 7% at constant exchange rates, excluding major acquisitions and disposals). In Mainland France, the order backlog came in at €3.1 billion, up 3% year on year, in particular for the Roads segment, with an increase of 5%. The order backlog for the International and Overseas France units totaled €8.6 billion, up 12% year on year (up 9% at constant exchange rates, excluding major acquisitions and disposals). Colas Rail sealed major contracts during 2022, such as the €192 million Birmingham tram extension, the €159 million construction of the first phase of the Line 4 of the Cairo Metro and the €540 million five-year extension of the alliance with Network Rail to upgrade and modernize rail infrastructure in the south of England. The International and Overseas France units accounted for 73% of the total order backlog, compared to 72% at the end of 2021.

With inflation, higher interest rates and currency volatility making for an unstable environment, Colas Group boasts solid fundamentals and will continue to reap the benefits of the transformation plans it has launched.

As announced in the third quarter of 2022, Colas has confirmed its target of an increase in its 2023 current operating profit relative to 2022.

Current operating profit from activities (COPA) is the Group's new financial performance indicator, and Colas has confirmed that it is also expected to increase in 2023 compared to 2022.

6. INNOVATION AND R&D

Colas aims to be the world leader in innovative, responsible mobility solutions. The Group draws on its capacity for innovation and R&D to conceptualize, design, develop and offer its customers a range of mobility solutions and infrastructure that are useful to users, environmentally friendly, optimized, integrated within a shared and secure public space, smart and connected, reversible and multimodal, and able to address climate change priorities.

Innovation relies on the involvement of employees of operating entities in the field, whose initiatives aim to address industry-specific issues and the needs of customers and stakeholders, as well as Group-wide projects.

Three departments play a key role in implementing this approach: the Innovation Department; the Technical, Research & Development Department; and the Sustainable Smart Infrastructure & Mobility (2SIM) Department.

The Innovation Department defines and heads up innovation projects on behalf of the Executive Management Committee. It monitors the portfolio of strategic projects, strategic investments in start-ups and strategic partnerships. It is also in charge of open innovation, which aims to understand technological developments and assess their impact on the future of Colas' business activities.

The Technical, Research & Development Department manages Colas' Research & Development, primarily *via* the Core Center, the Group's central R&D unit. It coordinates and supports the developments made by regional technical units, as well as lending its scientific expertise to innovative Group projects.

The Sustainable Smart Infrastructure & Mobility (2SIM) Department helps to bring to market new products and services that represent a break with Colas' traditional business model. It comprises the BIM by Colas teams (Building Information Modeling and regional digital twins) and teams dedicated to developing new products and services.

These three departments work together with those responsible for Sustainable Development (Environment, Health & Safety, Security, etc.) and for CSR within the Sustainable Development & Innovation Department. This structure reflects the strong ties between Innovation and Corporate Social Responsibility (CSR) at Colas, and encourages close collaboration between staff for a more coherent, efficient approach.

Finally, Colas' Executive Management Committee is directly responsible for innovation governance, signing off on Research & Development and Innovation strategies, coordinating the contributions of functional departments and operating entities, monitoring ongoing developments and checking that the targets set are achieved.

Colas' innovation strategy is centered around three core priorities that help to deliver on a number of CSR commitments to its stakeholders, as set out in the ACT corporate project:

- low carbon materials and solutions;
- sustainable mobility solutions;
- groundbreaking technologies to improve the performance and acceptability of operations.

6.1. Low carbon materials and solutions

In response to climate change, Colas has adopted a proactive strategy for decarbonizing its operations. The low carbon roadmap drawn up in late 2020 continued to be rolled out to operating entities in 2022.

Colas' Research and Development policy has been oriented towards these subjects for many years, with teams at the Technical, Research & Development Department working primarily on cements, hydraulic binders and low carbon cements, bio-sourced materials, reducing mix production temperatures (warm, semi-warm and cold mixes), as well as in-place road recycling and increasing the proportion of recycled materials in mixes.

The Core Center's R&D work in 2022 related in particular to:

- low carbon concrete solutions: Research efforts are focused on formulating and assessing low carbon hydraulic binders as a substitute for using Portland cements to produce concretes or other road products;
- controlling Urban Heat Island (UHI) effects: A center of expertise for co-designing solutions with stakeholders has been set up in southeastern France to assess the performance of various urban cooling solutions;
- products and solutions to support sustainable road maintenance: To improve and enrich the range of solutions in this area, new R&D projects have been launched concerning cold mixes, in-place recycling and making semi-warm mixes;
- bio-based materials: Research teams, with the support and assistance of the Group's entire technical network, are working on identifying and assessing bio-based raw materials available in the main regions in which Colas operates that could be used in its products.

At the end of 2022, 40% of the Group's R&D projects directly concerned reducing the carbon footprint of infrastructure or making infrastructure resilient to climate change.

6.2. Sustainable mobility solutions

The sustainable mobility solutions developed and marketed by Colas aim to address customers' environmental and energy-related concerns, improve comfort for users and residents and provide solutions to road safety issues.

They include in particular:

- mobility by Colas solutions for local authorities, which can, for example, help provide streamlined, shared access to local mobility services (Moov'Hub digital solution), implement preventive management of road networks (Anaïs) and schedule and manage traffic flows around urban construction sites (Qievo);
- the Flowell solution, which allows for better sharing of public space and improved user safety;
- the Wattway Pack local energy autonomy solution, with Wattway photovoltaic road surfacing;
- the inclusion of electric vehicle charging technologies in the surface layer.

The last three examples help optimize the use of infrastructures. As such, they address the key issue of space management.

6.3. Groundbreaking technologies to improve the performance and acceptability of operations

Over the last few decades, digital technologies have been rolled out across all business sectors, leading to sweeping changes in construction activities.

These technologies have created new opportunities in terms of products and services or operational excellence tools, benefiting all stakeholders.

In addition to the technical and operational excellence rolled out within the framework of its established business activities, Colas is also heavily involved in the use of BIM (Building Information Modeling) for infrastructure projects. The Group is a pioneer in this approach, for which it has received a number of awards in the last few years, and takes part in international standardization projects, in particular through its active role in France's MINnD (Interoperable Information Modeling for Sustainable Infrastructures) research project.

The BIM By Colas team also develops digital solutions (data services and data exchange) to allow for better control of operations and increased collaboration. Examples include:

- the development and upscaling of a tool compatible with software available on the market, allowing for a better approach to the presence of contaminants, to ensure better control of risks specific to decontamination;
- rolling out the use of Generative Design technologies to optimize the size of infiltration basins or supporting walls, for example, or for designing complex projects such as airports;
- the development of 2IN, a BIM-SIG multi-scale visualization services and data platform to optimize Company projects and assets or manage regional authorities' assets.

Lastly, reducing the environmental impact, and in particular the carbon impact of infrastructures over their entire lifecycle, is now a priority. This will also help to control the overall cost of infrastructures over the long term. In this regard, Colas offers a range of solutions for optimizing road network maintenance along with innovative structural inspection technology, using specially developed sensors and tools that use computer vision, artificial intelligence and on-board sensors in vehicles to analyze the data gathered. Colas' expertise lies in its ability to determine the predicted laws of evolution for infrastructure projects, on the basis of construction data, traffic conditions and even weather conditions, and thereby be able to advise clients on the most economical multi-year predictive maintenance program in terms of the environmental impact and budget.

7. RISK FACTORS

The Colas Group sets out the main specific risks to which it believes it is exposed and the materialization of which could have a significant unfavorable effect on its operations, financial position, reputation, outlook or stakeholders.

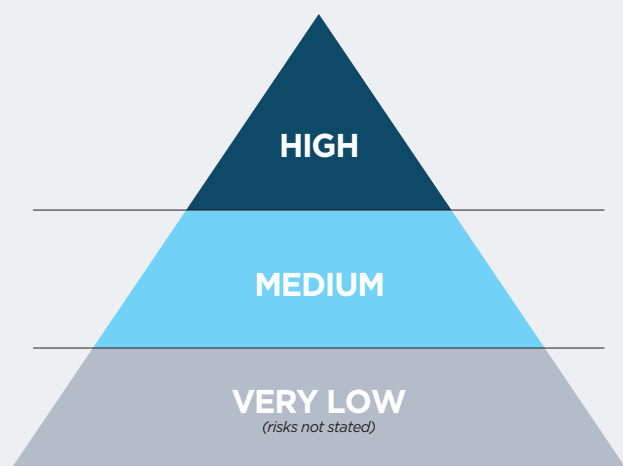
These risks are described by category. Within each category, the most significant risk factors are set out first.

The significance of each risk has been assessed as at the date of this document taking into consideration both its estimated impact and its probability of occurrence, after taking risk management measures into account. Three ratings are used: low, medium and high (risks identified as low in terms of impact and occurrence are not mentioned).

However, other risks may exist or occur that had not been identified at the date of this document or whose occurrence was not considered at that date as liable to have a significant adverse effect.

Risks not included here because of their limited impact as anticipated at the date of this document are nonetheless addressed by means of risk management procedures adopted by each of the Group's departments. Environment and Climate risks are given special attention, both in terms of its trends and consequences for the Group.

Risk ranking



Risk classification

Categories	Risks	Importance*
Risks arising from the operations and activities of Colas Group companies	Risk associated with major projects	<div></div>
	Risk associated with political and/or social instability in a region in which the Group operates	<div></div>
	Risk associated with volatility in raw material prices	<div></div>
Legal, regulatory and ethical risks	Compliance risks	<div></div>
Non-financial risks	Risk of loss of expertise and talent	<div></div>
	Risk associated with employee health and safety	<div></div>
Risk associated with information systems	Cyber risk	<div></div>

* Importance: Estimated impact and probability of occurrence.

7.1. Risks arising from the operations and activities of Colas Group companies

7.1.1. Risk associated with major projects (risk categorized as high)

RISK DESCRIPTION

In addition to its main business, which consists of fulfilling several tens of thousands of small contracts of low unit value, Colas also carries out projects considered major by virtue of their value, complexity, implementation difficulty, duration or financing method (notably concessions and PPP projects). These major projects carry greater risks in terms of design, constraints (geological, archaeological, etc.), availability of construction land, cost estimates, resource shortages (human resources, raw materials, etc.), delivery deadlines, payment terms, and so on. An example of a major project is the tram project in Liège, Belgium.

Difficulties encountered in the course of major projects like these could have multiple consequences including, for example, the need to carry out additional work to make up for delays, the need to make claims against customers and/or partners, financial penalties or even contractual liability. Over and above their financial impact (reduced revenue, spiraling costs and lower profitability), such consequences could also damage the Company's reputation.

RISK MANAGEMENT

To help it manage such projects more effectively, in 2016 the Group developed Colas Projects. The Group has also adopted internal procedures to identify risks and opportunities at the various stages of the major projects process to allow for better selectivity of major projects (business development network, systematic holding of contract committee meetings above a certain threshold, technical audit of the offer phase by a dedicated team, formal system for providing feedback over the entire project).

7.1.2. Risk associated with political and/or social instability in a region in which the Group operates (risk categorized as medium)

RISK DESCRIPTION

In particular, Colas' business activities and results are exposed to the following risks:

- changes in the macroeconomic environment in the main geographies in which the Group operates (e.g., Central Europe and Northern Europe: Poland, Czech Republic,

Finland; Indian Ocean and Oceania: Mayotte, Madagascar, New Caledonia), an unfavorable change that may result in consequences requiring the discontinuation of operations followed by sudden departure from a country;

- global instability aggravated by the war in Ukraine and escalation in some social tensions (elections, etc.). These instabilities lead to major changes in the framework of economic relations (e.g., collapse of local banking systems, bilateral trade agreements).

A sudden change can affect the profitability of a Group subsidiary and endanger assets.

RISK MANAGEMENT

The Health, Prevention & Security department continuously monitors political and security conditions. A country committee meeting is held before commencing operations in a new country and a security plan is adopted for each country to limit the risks in the most sensitive countries. In addition, the Group's crisis management procedure will be tested and updated in 2023.

7.1.3. Risk associated with volatility in raw material prices (risk categorized as medium)

RISK DESCRIPTION

In the past, bitumen supplies and price volatility were the main risk factors for this category identified within the Group. The analysis has changed slightly and been confirmed, as the risk is no longer confined to bitumen but extends more generally to all raw materials: polymers, plastic resins, oil and derivative products, metals, materials and energy (primarily gas and electricity).

In addition to the crisis experienced in 2022, increasingly scarce supply sources – due among other factors to dwindling natural resources, embargoes and reduced production capacity – and higher demand have created a risk of inflation and severe volatility in raw materials prices.

Depending on certain regulations or the terms of certain contracts (no revision clause, flat-rate contracts, etc.), the Group may find it impossible to pass all or part of the increase in raw materials costs onto the customer and may therefore be exposed to a risk of deterioration in margins.

RISK MANAGEMENT

Major steps have been taken at Group level to limit this risk, such as optimizing purchasing of essential raw materials in each region and using energy price hedging instruments.

7.2. Legal, regulatory and ethical risks

Compliance risk

(risk categorized as medium )

RISK DESCRIPTION

Around two thirds of Colas' business is with public sector customers. Legislation in several countries prohibits operators from bidding for public sector contracts if they have been found guilty of violating public procurement rules.

More generally, the high proportion of the Group's business deriving from the public sector (or from major structured groups such as highway operators, railway operators, mining companies, etc.) means Colas is also exposed to the risk of anti-competitive practices or corruption, particularly in countries where such practices are still widespread.

RISK MANAGEMENT

For the past several years, steps have been taken to limit risks arising from non-compliant practices: compliance programs have been introduced (focusing in particular on corruption prevention and competition), procedures have been disseminated more widely, training has been made available for all potentially exposed Group employees, reporting tools have been implemented and annual compliance reviews have been conducted for all regions, etc.

Moreover, Colas always penalizes non-compliant behavior and notifies the relevant judicial authorities. In spite of these measures, Colas remains exposed to these risks, though their financial and/or legal impact remains difficult to assess.

7.3. Non-financial risks

7.3.1. Risk of loss of expertise and talent

(risk categorized as high )

RISK DESCRIPTION

Public works are traditionally a less attractive business sector than others, and therefore faces difficulties hiring staff regardless of the job on offer and the skills required. Furthermore, the development in some areas of ambitious infrastructure programs with tight deadlines (e.g., Le Grand Paris Express projects in the Greater Paris region, as well as high levels of activity around certain metropolitan areas in Canada) and the highly seasonal nature of activities in some geographic areas (notably North America) further increase labor market competition in certain highly sought-after categories of employees. The unavailability or lack of adequate resources and the loss of key skills and expertise pose a risk to the Group's day-to-day business and its ability to successfully complete the projects entrusted to it.

RISK MANAGEMENT

In light of this situation, Colas introduced a managerial excellence plan which places the emphasis on retaining employees and developing their skills and expertise; in addition to day-to-day activities undertaken by Human Resources teams, the Group regularly surveys its global workforce so as to better understand and manage the risks associated with labor relations, employee turnover, workplace well-being (psychosocial issues), skills management and recruitment. In 2022, Colas also rolled out major advertising campaigns to support its recruitment drives.

Colas' strategy also includes working hard to make the Group more attractive (2022 international recruitment plan) and diversify its sources of recruitment (developing its employer brand and social media presence, forming and/or maintaining partnerships with educational institutions around the world, developing the role of apprenticeships, etc.) so as to attract and recruit new talent that reflects the plurality of society (diversity in terms of culture, ethnicity, age, gender, formal education, etc.).

7.3.2. Risk associated with employee health and safety

(risk categorized as medium )

RISK DESCRIPTION

The Colas Group is exposed to the risk of workplace accidents worldwide, mainly due to the use of construction machinery and industrial equipment or employees working on construction sites on infrastructures in operation, as well as the risk of traffic accidents in which employees may be directly involved. Safety measures have been put in place but there is a permanent risk of a workplace accident involving an employee of the Group or one of its partners.

Colas is also exposed to specific risks concerning workplace health, including bitumen fumes, dust, solvents and asbestos.

RISK MANAGEMENT

As regards workplace safety, Colas complies with local regulations in the countries in which it operates. Additional measures have been put in place to prevent work-related accidents, including those related to travel, concerning the Group's employees and third parties, including in particular:

- awareness-raising and training in safety issues (Stop for Life, International Safety Week, etc.);
- worldwide use of monitoring and analysis tools as the basis for the Health, Prevention & Security Department's advertising and awareness campaigns;
- creation of the Severe Accidents Observatory and systematic feedback;
- finding innovative solutions to reduce risk exposure (e.g., "security bubble" for moving machinery).

As regards workplace health, Colas has identified four specific areas of risk prevention:

- bitumen fumes, which have been the subject of analysis and epidemiological research: The risk associated with exposure to bitumen fumes is considered low, except where machinery is used in a confined space, in which case a targeted risk analysis must be carried out (effects of exhaust gases, ventilation systems, etc.);
- dust: The Group is taking action around the world to reduce exposure to dust at manufacturing facilities and construction sites alike by using appropriate equipment and processes: working in a humid environment created through spraying or misting, wearing personal protective equipment, upgrading milling and planing equipment and replacing them with machines fitted with dust extraction systems, etc.;
- solvents: The risk associated with solvent use has been reduced in workshops, on worksites and in laboratories through a worldwide policy to restrict their use and put in place appropriate safety equipment;
- asbestos: Concerning the risk of asbestos being found in certain buildings or facilities, Colas implements and applies individual and collective protection principles, in accordance with procedures laid down in Single Risk Assessment Documents drawn up by Colas business units.

Beyond these four areas, Colas also takes into account its duty of care with respect to anxiety associated with activities involving the use of potentially toxic substances.

7.4. Risk associated with information systems

Cyber risk

(risk categorized as high )

RISK DESCRIPTION

Cyberattacks on networks and information systems could paralyze the Group's computer systems and disrupt or halt activity.

An attack of this kind would negatively affect the Group's financial results, operations and image.

RISK MANAGEMENT

To safeguard against such eventualities, the Group has put in place a security policy tailored to its particular risks. This policy is structured around:

- reinforcing Cybersecurity procedures at Group level and on a local level (appointment of local officers, etc.);
- rolling out and creating dedicated resources (Security Operations Center - SOC, Computer Security Incident Response Team - CSIRT) to improve how security incidents are detected and handled, implying a significant reduction in dedicated cybersecurity budgets;
- performing regular assessments and audits to check the solidity of IT security procedures in place and identify any corrective measures;
- preparing and setting out a formal process for responding to potential crisis situations, leading to better preparation by means of crisis management tests (at least once a year).

8. DISPUTES AND LITIGATION

8.1. Major disputes and litigation

Colas Group companies are involved in various lawsuits and claims in the normal course of their business. Risks are assessed based on past experience and analysis by the Group's legal departments and legal advisors. To date, to the best of the Company's knowledge, no exceptional events or disputes are likely to significantly impact the activity, assets, earnings or financial position of the Group as a whole. Litigation is reviewed on a regular basis, especially when new situations arise. The amounts set aside as provisions appear adequate based on these assessments. The Group may have recourse to all legal remedies to protect its legitimate interests. A breakdown of the litigation into that covered by and that not covered by provisions has not been disclosed because this information could affect the outcome of certain disputes in progress.

8.1.1. France: URSSAF audits

All current URSSAF audits and related disputes concerning various subjects such as lower social security charges relating to the TEPA and Fillon laws, meal allowances and other elements audited by URSSAF are assessed overall by Colas.

The potential total amount of adjustments, including late payment penalties, is estimated at €133 million.

Disputes in this area are referred to the Social Security courts.

8.1.2. Hungary: Cases before the Hungarian Competition Authority and associated claims for damages

Between 2004 and 2012, the Hungarian Competition Authority found that some ten Hungarian companies, including Colas subsidiaries, had infringed competition rules by engaging in price-fixing practices for public works contracts.

The penalties have been paid.

In the aftermath of these decisions, claims for damages have been brought against certain Hungarian companies controlled by Colas subsidiaries in Hungarian courts by several companies alleging they were harmed by these price-fixing practices.

A case involving these subsidiaries, in connection with a highway project, is still pending. In these proceedings, the Hungarian Supreme Court decided on January 25, 2023 that the Hungarian State, as the plaintiff, was not barred by limitation. Proceedings on the merits are resuming in the trial court.

8.1.3. Canada: Tax-related dispute pertaining to technical assistance charged by Colas to its subsidiary Colas Canada Inc.

The Canada Revenue Agency is challenging the deductibility of technical assistance expenses invoiced by the Colas parent company to its subsidiary Colas Canada Inc. on the grounds that the amounts of these expenses are excessive and insufficiently documented.

The dispute covers fiscal years 2008 to 2016, in which the rate used by the Canada Revenue Agency was challenged by Colas Canada Inc. *via* the out-of-court settlement procedure, which is currently under way.

The total amount in question is €21.7 million.

8.1.4. International: Complaint filed by Colas Rail concerning an international project

In 2017, an internal audit and subsequent external investigation mandated by Colas subsidiary Colas Rail revealed that suspicious euro and local currency payments had been made to local consultants by a foreign subsidiary of Colas Rail.

The consultants in question had their contracts terminated and all payments blocked. By agreement with the customer, Colas Rail transferred the construction contract, without any significant impact on Colas Group.

Colas Rail filed a complaint in France and the ensuing investigation is ongoing.

8.2. Financial injunctions or penalties for anti-competitive practices

In accordance with Article L. 464-2 of the French Commercial Code, it is hereby confirmed that the Company has not been the subject of any financial injunctions or penalties issued by the French Competition Authority and which the latter has ordered it to disclose in the annual report.

9. INTERNAL CONTROL OF ACCOUNTING AND FINANCIAL INFORMATION

Risk identification and risk prevention are fundamental management principles adopted by Colas and its senior executives.

The Group – which, through its subsidiaries, operates in around 50 countries – has thus implemented internal control procedures to ensure that its activities and associated risks are properly controlled, irrespective of their nature (operational, financial, legal, etc.). The goal of this approach, beyond ensuring the accuracy of accounting and financial reporting, is to ensure that management decisions, activities undertaken and employee behavior all comply with regulations in force and with the Group's guiding principles.

As with any internal control system, however, the Company cannot guarantee that the risks it is designed to prevent are completely eliminated.

The Colas Group applies the internal control reference framework published by the *Autorité des marchés financiers* (AMF) in July 2010.

The Group's internal control procedures apply to Colas and to all directly controlled subsidiaries in which the parent company holds an ownership interest greater than 50% (including the subsidiaries of these entities).

9.1. Organization of the Group and internal control procedures

9.1.1. Organizational principles

The Group's organizational structure is based on the following principles:

- business activities pursued by subsidiaries: The Group's business is conducted by subsidiaries, the majority of which are wholly owned by parent company Colas SA;
- decentralization: The organization is based on a limited number of hierarchical tiers (generally three). Each manager (whether operational and/or functional) performs his/her duties under delegated authority, enabling decisions to be made at the most appropriate level;
- activities and their results are monitored in light of stated objectives, based on common principles shared by all (as regards budgeting, updating, etc.);
- integrated management tools (accounting and finance software and the Group reporting system) allow for greater control over activities. The software tool rolled out across all French road construction subsidiaries offers complete coverage of operations, from contract acquisition to project execution, including budgeting and procurement. This software tool interfaces with manufacturing tools and production equipment. The gradual harmonization

of information systems, which began in 2015 (under the Copernic project), is continuing internationally.

9.1.2. Organization of business activities

Business activities are performed by work centers or production units operating within a defined geographical area (e.g., a specific region of France). These centers are united under regional organizations (in France) and/or national subsidiaries (outside France). Each of the subsidiaries has its own Executive Management (generally consisting of operational senior management and functional departments) responsible for directing, developing and overseeing the activities undertaken.

The following organization was introduced on January 1, 2021:

- the Roads business is made up of ten geographical organizational units, which operate under five Executive Management teams:
 - France/DOMOI (Overseas France, Indian Ocean region), including Road Safety and Signaling (Aximum),
 - EMEA with Northern Europe, Western Europe, Central Europe, the United Kingdom and Ireland, MACAO (Morocco, West Africa), MESEA (Middle East, Southern Africa), LATAM (Chile, Peru),
 - United States,
 - Canada,
 - Asia-Pacific (Asia/Oceania);
- Railways and Other Activities include the Colas Rail and Spac business activities (water and energy transport).

9.1.3. Main internal control procedures

All subsidiaries and Managing Directors benefit from **the assistance of Colas' functional departments**. These departments define and make changes to the Group's guidelines and procedures in their specific areas of expertise. They work closely with the functional managers of the subsidiaries. Meetings, held once or more each year, bring together all managers from across the Group within a given discipline to disseminate information, share experience and keep abreast of the latest developments.

Staff working at subsidiaries have **access to the "Group Management Principles"**, supplemented by a Code of Ethics and compliance programs developed by Colas' parent company, Bouygues. Together, these documents summarize the essential rules, procedures and principles of conduct applicable within the Colas Group.

Against this backdrop, the Group's senior executives are constantly working to ensure that **internal control is uppermost in employees' minds**. The strategy pursued by the Group for many years places the emphasis on delivering business growth and expansion through prudence, rigor and control.

9.2. Monitoring and supervision of the system

In 2022, Colas continued its efforts to constantly improve and adjust its internal control procedures.

9.2.1. Supervision and control of operations

WORK-ON-HAND, REVENUE AND PROFIT IN A HIGHLY DECENTRALIZED GROUP

Given the nature of its activities (road construction, industrial activities, Railways and Other Activities), the Group manages orders for, executes and accounts for approximately 60,000 projects a year. In addition to thousands of smaller, short-term projects, Colas also handles major projects both in France and internationally. Engineering studies and order management are handled by operational managers (responsible for 900 construction business units and 3,000 materials production units). Bids for large-scale projects and those considered exceptional (by virtue of their nature, complexity or duration), as well as projects in new countries, are always signed off by a contract committee (at subsidiary, regional Executive Management or Colas Executive Management level). The sign-off process is managed by subsidiaries based on predetermined thresholds and criteria. Moreover, major projects are subject to regular monitoring and reported on at Audit Committee meetings.

ACQUISITIONS AND DISPOSALS

As any acquisition process exposes the Group to risk, all proposals for the creation, acquisition or disposal of an entity (securities or assets) or of real estate assets must first be presented in the form of a specific investment or divestment request, including a set of supporting documents defined in the guide to internal procedures. Such projects are presented to the Group's Executive Management for prior review and sign-off before being authorized by the Board of Directors of the subsidiary that is considering the project.

9.2.2. Procedures with regard to preparing, processing and monitoring financial and accounting information

The main documents, procedures and tools used for the communication of accounting and financial information comply with the principle of accrual accounting. This allows for monitoring worksite cost schedules, as well as for preparing activity reports by subsidiary and/or country and monthly statements of after-tax profit (monthly for subsidiaries and the Group), which are consolidated. This information provides data on the Group's revenue, order intake, main financial indicators and consolidated net profit on the 15th of each month following the month of operations.

These figures are compared monthly with the tri-annual budgets (B0, B1 and B2) and the quarterly balance sheets and income statements, at the level of each subsidiary and each Executive Management Department.

Meetings with key senior executives responsible for running subsidiaries are held throughout the year to analyze changes in business activity and discuss the economic outlook, strategic direction and current issues.

The Accounting and Consolidation Department is in charge of preparing and analyzing consolidated financial and accounting information. It sets out and monitors accounting procedures, rules and policies in accordance with IFRS. For the 2022 financial statements, nearly 370 consolidation reporting packages were processed for a scope of consolidation covering around 500 entities.

In France and abroad, cash management is centralized whenever possible. Financial flows in Mainland France and abroad are subject to Group procedures, to ensure maximum security and to minimize fraud risks.

9.2.3. Progress in the development of internal control procedures

The internal control system covers all Colas Group companies. The project uses input from exchanges with other functions within the Bouygues group, addressing cross-functional issues consistently, while taking into account the characteristics specific to Colas.

This system is notably supported by an annual self-assessment of Colas' internal control principles, supplemented by risk mapping, which is updated annually when the three-year business plan is produced.

This risk mapping is presented early in the year to the Audit Committee as well as to the Board of Directors when it meets to approve the financial statements for the previous year.

The annual self-assessment of the principles of Colas' internal control framework covers all Colas business segments. There are 549 principles, comprised of 311 general principles and 238 accounting and financial principles, including 61 that are specific to the Group's business lines. Together they form Colas' internal control framework.

Subsidiaries assess each applicable principle on a scale of 1 to 4, depending on the extent to which it is formalized and applied. This assessment is undertaken by the respondent best placed to evaluate the extent to which a given principle is applied within the subsidiary before being reviewed and signed off by the head of the entity or a person acting under the latter's delegated authority. Subsidiaries are therefore asked to organize self-assessments for certain principles within business units (in 2022, 82 principles were self-assessed within business units).

A score of 1 or 2, indicating that a principle was not applied or, more commonly, that the application of a given principle was partially or insufficiently documented, triggers an observation with recommendations concerning action plans to be implemented.

This annual self-assessment of the application of principles is based on a three-year cycle:

- in two out of every three years, the Group campaign focuses on principles related to the main risk factors, as identified in the most recently published report of the Board of Directors. In the third year, all principles are self-assessed;
- entities newly within scope (newly acquired companies, etc.) begin by self-assessing the application of all the principles in the framework before falling in step with the Group's three-year cycle the following year;
- In 2022 (the third year of the current cycle), the self-assessment campaign was implemented to cover 46 key areas for the Group (covering around 200 to 370 principles depending on the types of subsidiaries); 54 subsidiaries and companies (in France and abroad), representing more than 99% of Colas' consolidated revenue took part;
- the assessment of the proper application of the Colas internal control framework involves the participation of the Chairmen and CEOs; the human resources, legal, administrative and financial managers of subsidiaries; the functional division heads at the Colas parent company; and the Managing Directors.

The analysis of results undertaken in 2022 showed that activities and processes were well managed in most subsidiaries and found that there were steady improvements in identifying and empowering stakeholders in each process.

Main actions taken in 2022:

- extension of regular controls to check the reliability of compliance information submitted by subsidiaries and identify any required corrective action;
- rollout of a purchasing roadmap for each region in order to prioritize actions to be taken in relation to the various purchasing categories and to improve productivity;
- operational implementation of procedures for supervising cybersecurity alerts (Security Operations Center).

In 2023, Group action plans will include the following:

- continuing international rollout of the COPENIC and ColasWay management tools, and implementation of a management tool for the Purchasing Department (sourcing, bids, management framework contracts, supplier assessments, purchasing performance audits);
- incorporation of new supplier assessment criteria (social, environmental, etc.) within the framework of the new Purchasing and CSR policy.

These Group initiatives will be supplemented by local action plans designed to address specific needs identified by each local entity.

9.2.4. Risk mapping

Work to identify key risks by major business line or area of activity was updated by the Group's various Executive Management units as part of the budgeting exercise. This information supplemented the combined top-down/bottom-up approach adopted by the Colas parent company as part of the annual Group campaign initiated by its Chairman and Chief Executive Officer.

A summary report was presented at the Board of Directors Meeting on January 17, 2023 and at the preceding Audit Committee Meeting.

Although this effort confirmed that Colas has relatively little exposure to systemic risks, it showed that sudden economic downturns in some of the Group's regions and markets do present a risk, due to the difficulty that some local entities have in rapidly adjusting to changes in market conditions.

9.2.5. Internal control monitoring

All internal control staff are responsible for operating and monitoring the internal control system. Their work is coordinated by an internal control manager at the Colas parent company who liaises with a network of correspondents at the Group's national or regional subsidiaries.

As part of its audits, the Internal Audit Department verifies both compliance with internal control principles and the quality of self-assessment.

In 2022, the Group's Internal Audit Department, which reports to the General Secretary, was composed of seven auditors led by an Audit and Internal Control Manager.

The main objectives of an internal audit are to:

- assess organizational measures and the control environment put in place by subsidiaries and other audited entities to manage their risks, protect their assets and ensure the reliability of accounting and financial information, as well as compliance with Group rules;
- propose opportunities to improve audited entities' operations so as to increase efficiency and foster the dissemination of best practice within the Group. Checks undertaken include, in particular, verifying compliance with Colas' internal control principles and reviewing the results of annual self-assessments and progress against action plans aimed at improving the system in place;
- measure progress against action plans and implementation of audit recommendations within 12 to 18 months.

The annual audit plan is signed off by the Chairman and Chief Executive Officer and approved by the Audit Committee when it meets in the fourth quarter of the preceding year. This plan generally includes (excluding follow-up audits) an average of around 15 audits of French and international entities. Entities are selected for audit on the basis of the risks and issues facing the Group.

The following subsidiaries were audited in 2022: Elektroline (Colas Rail Czech Republic), Barrett (USA), Colas Rail Chili, Asfalcura (Chile), North Peace Asphalt (Canada), Colas Côte d'Ivoire.

Internal Audit also carries out more targeted assignments such as project reviews (Singapore Metro - Colas Rail), managerial process reviews (Tipco Asphalt - Thailand) and integration reviews for newly acquired entities (currently in progress for Destia - Finland and Hasselmann - Germany).

The audit findings are reported to the Chairman and Chief Executive Officer, Colas functional managers, the Executive Management of the appropriate country or region and the management bodies of the audited entity. The audit report

highlights areas for improvement identified during the audit and proposes recommendations to the audited entity's executive body for drawing up and implementing a suitable action plan.

The Statutory Auditors are informed of the annual internal audit program and are systematically provided with audit reports. They also share with the Internal Audit Department the conclusions of their own assessment of the control environment. Regular meetings are held between internal and external auditors to ensure that their work is undertaken in a coordinated and complementary manner.

The Statutory Auditors are provided with a copy of the standard internal control procedures. A report on 2022 self-evaluation results, presented to the Audit Committee on February 17, 2023, will be made available to the Statutory Auditors to enable them to include additional accounting and financial verifications if necessary. The Statutory Auditors are also informed of the accounting and financial principles observed by the French subsidiaries, as revealed by their self-assessments.

10. DUTY OF CARE

Bouygues, the company that controls the Company within the meaning of Article L. 233-3 of the French Commercial Code, has implemented a duty of care plan covering its activities and those of all the subsidiaries and companies that it controls as stated in its registration document.

Accordingly, the Company is deemed to satisfy the requirements provided for in Article L. 225-102-4 of the French Commercial Code under paragraph 2 of said Article.

11. INVESTMENTS AND CONTROLLING INTERESTS

11.1. Acquisitions of equity interests significant for the Group

Acquisition of Hasselmann by Colas Rail

On October 4, 2022, Colas Rail acquired a 100% stake Hasselmann, a family-owned group based in Thuringia, Germany, specializing in the construction of railways and rail infrastructure.

The three companies that form the Hasselmann group operate mainly on conventional rail lines in central Germany, from Hesse to Saxony, for Deutsche Bahn. The group, which boasts nearly 300 employees, generated revenue of 70 million euros in 2021.

This acquisition has given Colas Rail a foothold in the German market, confirming its acquisition strategy targeting countries with stable economies and high potential for investment in rail infrastructure.

11.2. Direct equity investments and controlling interests by Colas SA in companies having their registered office in France

In accordance with the provisions of Article L. 233-6 of the French Commercial Code, listed below are those companies headquartered in France in which the Company, during fiscal year 2022, acquired either a direct equity interest representing more than one-twentieth, one-tenth, one-fifth, one-third, one-half or two-thirds of share capital or voting rights or a controlling interest within the meaning of Article L. 233-3 of the French Commercial Code:

Company name	Registered office	% stake held
GIE Colas Support France	1 rue du Colonel Pierre Avia – 75015 Paris (France)	50.1%

12. BRANCHES

In accordance with the provisions of Article L. 232-2 II of the French Commercial Code, it is hereby disclosed that Colas SA owns the branches located at the following address:

Branch	Address
Colas S.A. Franta Sucursala Romania	Sect. 1 str. Carol Knappe Nr. 14 Corp B & P. ap. 18 Bucuresti (Romania)
Colas Agence Burkina	01 BP 1503 Ouagadougou 01 (Burkina Faso)
Colas Agence Gabon	Z.I d'Oloumi, BP 3985, Libreville (Gabon)

It should, however, be noted that these branches are no longer trading and are in the process of being wound up with the corresponding local authorities.

For information, the Company's secondary establishments are as follows:

Address	Category of establishment	Identification No.
1 rue du Colonel Pierre Avia - 75015 Paris (France)	Headquarters and main establishment	552 025 314 02366
1 rue du Colonel Pierre Avia - 75015 Paris (France)	Secondary establishment	552 025 314 02390
1 rue du Colonel Pierre Avia - 75015 Paris (France)	Secondary establishment	552 025 314 02382
1 rue du Colonel Pierre Avia - 75015 Paris (France)	Secondary establishment	552 025 314 02374
8 rue Jean Mermoz - 78114 Magny-les-Hameaux (France)	Secondary establishment	552 025 314 02341
4 rue Jean Mermoz - 78114 Magny-les-Hameaux (France)	Secondary establishment	552 025 314 02333
118/Tipco Tower Roma 6 Road - 10400 Bangkok (Thailand)	Representative office	0100536022487

13. INTERCOMPANY LOANS

In accordance with the provisions of Article L. 511-6 3.bis of the French Monetary and Financial Code, it is hereby disclosed that the Company has not granted any loans to microbusinesses, small and medium-sized enterprises or mid-tier enterprises with which it has financial relationships.

14. INFORMATION ON PAYMENT PERIODS

Pursuant to the provisions of Article L. 441-6-1 of the French Commercial Code, the Board provides the following breakdown of the payment periods for suppliers and customers using the templates provided in the order of March 20, 2017 showing:

- invoices received but not settled at the end of the reporting period;
- invoices issued but not settled at the end of the reporting period.

Article D. 441-4 I.-1: Invoices received but not settled at the end of the reporting period						
	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and up	Total (1 day and up)
(A) Late payment by time range						
Number of invoices concerned	1,044					973
Total amount of invoices concerned (excl. VAT) (€)	19,478,886.01	-348,616.69	607,581.79	113,463.73	27,734.06	400,162.89
Percentage of total amount of purchases (excl. VAT) in the fiscal year	10.66%	-0.19%	0.33%	0.06%	0.02%	0.22%
Percentage of revenue (excl. VAT) for the fiscal year						
(B) Invoices excluded from (A) related to disputed or unrecognized receivables and payables						
Number of invoices excluded						26
Total amount of invoices excluded (€)						30,475.96
(C) Standard payment terms used (contractual or statutory terms of payment – Articles L. 441-6 or L. 443-1 of the French Commercial Code)						
Payment terms used to calculate late fees	General rule: 45 days end of month Carriers: 30 days end of month					

Article D. 441-4 I.-2: Invoices issued but not settled at the end of the reporting period						
	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and up	Total (1 day and up)
(A) Late payment by time range						
Number of invoices concerned	396					536
Total amount of invoices concerned (excl. VAT) (€)	60,748,687.06	-7,596,417.69	917,074.13	3,154,746.60	15,940,938.39	12,416,341.43
Percentage of total amount of purchases (excl. VAT) in the fiscal year						
Percentage of revenue (excl. VAT) for the fiscal year	18.42%	-2.30%	0.28%	0.96%	4.83%	3.77%
(B) Invoices excluded from (A) related to disputed or unrecognized receivables and payables						
Number of invoices excluded						0
Total amount of invoices excluded (€)						0
(C) Standard payment terms used (contractual or statutory terms of payment – Articles L. 441-6 or L. 443-1 of the French Commercial Code)						
Payment terms used to calculate late fees	General rule: 60 days from date of invoice					

15. SHARE CAPITAL

15.1. Changes in the share capital in 2022

As of January 1, 2022, the Company had issued share capital of 48,981,748.50 euros, consisting of 32,654,499 shares with a par value of 1.50 euros each.

As of December 31, 2022, the Company's issued share capital remained unchanged at 48,981,748.50 euros, consisting of 32,654,499 shares with a par value of 1.50 euros each.

Share capital as of December 31, 2021	48,981,748.50
Number of shares in issue as of December 31, 2021	32,654,499
Total number of theoretical voting rights as of December 31, 2021 ⁽¹⁾	64,428,357
Number of voting rights exercisable as of December 31, 2021	64,415,534
New shares created between January 1 and December 31, 2022	0
Share capital as of December 31, 2022	48,981,748.50
Number of shares in issue as of December 31, 2022	32,654,499
Total number of theoretical voting rights as of December 31, 2022 ⁽¹⁾	64,490,863
Number of voting rights exercisable as of December 31, 2022	64,477,916

(1) Including treasury shares (trading position).

15.2. Share ownership

The Company's shareholding structure (trading position) at December 31, 2022 was as follows:

Shareholder	Shares					
	As of December 31, 2022		As of June 30, 2022		As of December 31, 2021	
	Number of shares	%	Number of shares	%	Number of shares	%
Bouygues SA	31,612,151	96.81	31,612,151	96.81	31,612,111	96.81
"Colas en actions" FCPE investment fund	218,251	0.67	222,983	0.68	220,217	0.68
Colas Shares FCPE investment fund	4,840	0.01	4,840	0.01	4,705	0.01
Other	806,310	2.50	802,022	2.46	804,643	2.46
Colas SA (treasury shares)	12,947	0.01	12,503	0.04	12,823	0.04
TOTAL	32,654,499	100%	32,654,499	100%	32,654,499	100%

Shareholder	Voting rights					
	As of December 31, 2022		As of June 30, 2022		As of December 31, 2021	
	Number of voting rights	%	Number of voting rights	%	Number of voting rights	%
Bouygues SA	63,223,797	98.04	63,223,797	98.06	63,155,333	96.81
"Colas en actions" FCPE investment fund	431,931	0.67	436,663	0.68	440,434	0.68
Colas Shares FCPE investment fund	9,480	0.01	9,310	0.01	9,175	0.01
Other	812,708	1.26	807,808	1.25	823,415	2.46
Colas SA (treasury shares)	/	/	/	/	/	0.04
TOTAL	64,477,916	100%	64,477,578	100%	64,415,534	100%

15.3. Share price and trading volume

Colas shares are listed on the Euronext Paris market (Compartment A).

No adjustments were made to the share price in 2022.

In 2022, Colas' share price on the Euronext Paris stock exchange recorded a low of €111 (September 28, 2022, and October 03, 2022) and a high of €130 (January 7, 2022), before ending the year at €117, i.e., 7.51% lower than the share price as of December 31, 2021. For purposes of comparison, the French CAC 40 stock market index fell 10.30% and the French SBF 120 stock market index fell 11.13% over the same period.

15.4. Colas share price

Year	Month	Share price		Number of shares traded	Share capital in millions of euros
		High	Low		
2020	January	143.00	133.60	31,085	4.3
	February	139.80	121.60	24,654	3.3
	March	126.40	90.00	32,962	3.7
	April	116.50	103.00	20,108	2.1
	May	119.00	108.00	13,790	1.6
	June	123.00	110.50	17,545	2.1
	July	116.00	111.00	20,115	2.3
	August	121.00	111.50	18,192	2.1
	September	123.50	105.00	27,320	3.1
	October	108.50	103.00	16,396	1.7
	November	115.00	104.00	25,673	2.9
	December	131.50	112.00	28,458	3.5
2021	January	129.00	117.50	12,186	1.5
	February	123.00	115.00	15,704	1.9
	March	126.50	117.00	25,095	3.0
	April	126.00	118.50	18,207	2.2
	May	124.00	118.50	11,725	1.4
	June	123.50	120.00	11,357	1.4
	July	125.00	120.00	12,472	1.5
	August	137.00	120.00	22,667	3.0
	September	135.50	130.00	13,756	1.8
	October	134.00	130.00	11,041	1.5
	November	136.50	125.00	12,953	1.7
	December	131.00	124.50	13,022	1.6
2022	January	130.0	123.5	10,628	1.3
	February	126.0	121.0	11,343	1.4
	March	124.5	113.5	12,429	1.5
	April	127.5	119.5	9,280	1.1
	May	126.5	118.0	10,832	1.3
	June	127.5	120.0	9,803	1.2
	July	121.0	115.5	4,248	0.5
	August	127.5	114.0	9,854	1.2
	September	122.5	111.0	10,472	1.2
	October	118.0	111.0	5,075	0.6
	November	118.0	113.5	7,146	0.8
	December	118.0	113.0	12,663	1.5

15.5. Share buyback program

15.5.1. Use during the 2022 fiscal year of the authorizations to buy back shares granted by the Shareholders' Meeting

The Combined Shareholders' Meetings of April 13, 2016, April 11, 2017, April 12, 2018, April 17, 2019, April 22, 2020, 20 April, 2021 and April 26, 2022, approved share buyback programs authorizing the Board of Directors, acting pursuant to Articles L. 225-209 et seq. of the French Commercial Code, to buy the Company's shares up to a maximum of 1% of the number of shares making up the share capital, for a period of eighteen months. This authorization was used by your Company in fiscal year 2022, within the framework of a liquidity agreement.

Pursuant to Article L. 225-211 of the French Commercial Code, the table below summarizes the transactions carried out over the course of the 2022 fiscal year:

TRANSACTIONS CARRIED OUT BY COLAS IN ITS OWN SHARES DURING FISCAL YEAR 2022 ⁽¹⁾

Number of shares held by the Company as of December 31, 2021	12,823
Number of shares purchased during fiscal year 2022	5,288
Number of shares sold during fiscal year 2022	5,164
Number of shares held by the Company as of December 31, 2022 ⁽¹⁾	12,947
Average bid price in fiscal year 2022 (€)	118.939
Average ask price in fiscal year 2022 (€)	121.323
Value (based on purchase price) of shares held by the Company as of December 31, 2022 (€)	1,698,348.62
Par value of shares held by the Company at December 31, 2022 (€)	19,420.5

(1) Trading position.

BREAKDOWN OF TRANSACTIONS BY PURPOSE

Retirement of shares

Number of shares retired during fiscal year 2022	-
Reallocations to other purposes	-
Number of shares held by the Company as of December 31, 2022	12,947

Liquidity agreement

Number of shares purchased during fiscal year 2022 ⁽¹⁾	5,288
Number of shares sold during fiscal year 2022 ⁽¹⁾	5,164
Number of shares held by the Company as of December 31, 2022 under the liquidity agreement ⁽¹⁾	12,947

(1) Trading position.

15.5.2. Details of the new share buyback program to be put to a vote at the Combined Shareholders' Meeting of April 25, 2023

Pursuant to Articles 241-2 and 241-3 of the AMF's General Regulation, the Company presents below details of the share buyback program that will be submitted for approval at the Combined Shareholders' Meeting of April 25, 2023. This program will replace that previously granted by the Combined Shareholders' Meeting of April 26, 2022 in its thirteenth resolution.

CHARACTERISTICS OF THE 2023 SHARE BUYBACK PROGRAM

Objectives	<ul style="list-style-type: none"> – Potentially retiring shares bought back – Providing liquidity and an active market for the Company's shares through the intermediary of an investment services provider acting within the framework of a liquidity agreement in accordance with a Code of Ethics recognized by the AMF, with the understanding that the achievement of these objectives shall have to comply with applicable laws and regulations
Methods used	The shares will be purchased <i>via</i> an investment services provider acting within the framework of a liquidity agreement in accordance with a recognized Code of Ethics
Maximum proportion of the share capital	1,632,724 shares, i.e. 5% of the current issued share capital
Maximum purchase price	180 euros per share
Maximum amount payable by the Company	293,890,320 euros based on the maximum purchase price
Financing methods	Colas reserves the right to use its available cash or short-and medium-term debt if additional needs exceed available cash from operations
Schedule	18 months as of the date of the authorization granted by the Combined Shareholders' Meeting of April 25, 2023, i.e. until October 25, 2024

16. EARNINGS AND APPROPRIATION OF EARNINGS

The report given by the Statutory Auditors of the Company included their opinion on the financial statements submitted to you. These financial statements will also be examined by the Works Council, in accordance with applicable law.

The Company's earnings amounted to €339,312,825.36 compared with €155,526,327.51 in 2021. Unappropriated earnings from the fiscal year plus unappropriated retained earnings totaled €1,207,833,885.70, which we propose that you appropriate as follows:

- legal reserve 0 euro;
- dividend payout:
 - total amount 240,010,567.65 euros,
 - dividend per share 7.35 euros
(to be paid on May 4, 2023);
- balance of unappropriated earnings 967,823,318.05 euros.

In accordance with the provisions of Article 243 *bis* of the French General Tax Code, you are reminded that the amounts paid out in the form of dividends in respect of the last three fiscal years were as follows:

	Fiscal year ended		
	December 31, 2019	December 31, 2020	December 31, 2021
Number of shares in issue	32,654,499	32,654,499	32,654,499
Dividend per share ⁽¹⁾	€6.40	€2.90	€6.85
Total dividend ⁽²⁾	€208,852,608.40	€94,637,234.10	€223,598,111

(1) Amount optionally eligible, for persons subject to income tax, for the 40% tax allowance provided for in Article 158-3-2° of the French General Tax Code.

(2) The stated amounts represent dividends actually paid; shares bought back by the Company carry no dividend rights.

The Board of Directors

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RESULTS OF THE COMPANY FOR THE LAST FIVE FISCAL YEARS

Results of the Company for the last five fiscal years

In thousands of euros	2018	2019	2020	2021	2022
Capital at end of period					
Share capital	48,982	48,982	48,982	48,982	48,982
Number of shares in issue	32,654,499	32,654,499	32,654,499	32,654,499	32,654,499
Number of bonds convertible into shares	N/A	N/A	N/A	N/A	N/A
Income statement data					
Revenue excluding VAT	277,238	321,251	229,882	213,714	231,063
Profit before depreciation, amortization, provisions and impairment	424,229	239,595	270,937	307,163	432,966
Income tax expense	3,810	14,039	10,494	17,961	27,016
Employee profit-sharing for the year	1,803	907	871	470	1,620
Profit after depreciation, amortization, provisions and impairment	386,086	210,160	210,605	155,526	339,313
Dividend payout	181,232	208,989	94,698	223,683	240,011 ⁽¹⁾
Per share data (in euros)					
Profit after tax but before depreciation, amortization, provisions and impairment	12.87	6.91	7.98	8.86	12.43
Profit after depreciation, amortization, provisions and impairment	11.82	6.44	6.45	4.76	10.39
Dividend per share	5.55	6.40	2.90	6.85	7.35 ⁽¹⁾
Employee data					
Average headcount	485	485	518	473	477
Total payroll	59,057	58,778	63,249	51,803	47,668
Employee benefits paid (social security, etc)	18,736	20,071	22,798	26,903	26,853

(1) Subject to approval at the Annual General Meeting of April 25, 2023.

The Board of Directors

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CONSOLIDATED FINANCIAL STATEMENTS OF THE COLAS GROUP

YEAR ENDED DECEMBER 31, 2022

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1. CONSOLIDATED BALANCE SHEET

(€ million)	Note	12/31/2022	12/31/2021
Property, plant and equipment	3.2.1	2,359	2,375
Right of use of leased assets	3.2.2	632	532
Intangible assets	3.2.3	219	198
<i>Goodwill</i>	3.2.4	940	929
Investments in joint ventures and associates	3.2.5	397	370
Other non-current financial assets	3.2.6	114	142
Deferred tax assets	7	141	141
Non-current assets		4,802	4,687
Inventories	4.1	868	728
Advances and down-payments made on orders	4.1	71	46
Trade receivables	4.1	2,728	2,488
Customer contract assets	4.1/4.2	923	774
Current tax assets	4.1	47	28
Other current receivables and prepaid expenses	4.1	784	701
Cash and cash equivalents	4.3	471	547
Financial instruments - Hedging of debt	18	8	9
Other current financial assets	18	7	3
Current assets		5,907	5,324
Held-for-sale assets and operations		92	
TOTAL ASSETS		10,801	10,011
Share capital		49	49
Share premium and reserves		2,751	2,585
Translation reserve		73	60
Treasury shares		(2)	(2)
Net profit/(loss) attributable to the Group		301	261
Shareholders' equity attributable to the Group		3,172	2,953
Non-controlling interests		20	25
Shareholders' equity	5	3,192	2,978
Non-current debt	8	181	168
Non-current lease obligations	10	537	427
Non-current provisions	6.1	678	845
Deferred tax liabilities	7	144	113
Non-current liabilities		1,540	1,553
Current debt	8	40	29
Current lease obligations	10	143	129
Current tax liabilities	11.1	117	108
Trade payables	11.1	2,268	2,153
Customer contract liabilities	11.2	1,032	841
Current provisions	6.2/11.1	411	424
Other current liabilities	11.1	1,459	1,403
Overdrafts and short-term bank borrowings	8	548	383
Financial instruments - Hedging of debt	18	2	9
Other current financial liabilities	18	5	1
Current liabilities		6,025	5,480
Liabilities related to held-for-sale operations		44	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		10,801	10,011
Net surplus cash/(net debt)	9	(292)	(33)

2. CONSOLIDATED INCOME STATEMENT

(€ million)	Note	2022	2021
Sales ⁽¹⁾	12	15,529	13,226
Purchases used in production		(8,068)	(6,310)
Personnel costs		(3,987)	(3,543)
External charges		(2,896)	(2,737)
Taxes other than income tax		(157)	(146)
Net charges for depreciation, amortization and impairment losses on property, plant & equipment and intangible assets	4.4	(392)	(398)
Net amortization and impairment expense on right of use of leased assets	4.4	(148)	(111)
Charges to provisions and other impairment losses, net of reversals due to utilization	4.4	(121)	(169)
Change in production inventories		24	19
Other income from operations ⁽²⁾	13	915	821
Other expenses on operations	13	(239)	(212)
Current operating profit/(loss)		460	440
Other operating income	13		
Other operating expenses	13		(10)
Operating profit/(loss)	9	460	430
Financial income		12	9
Financial expenses		(59)	(31)
Income from net surplus cash/(cost of net debt)	14.1	(47)	(22)
Interest expense on lease obligations		(19)	(15)
Other financial income	14.2	12	12
Other financial expenses	14.2	(13)	(16)
Income tax	15	(142)	(148)
Share of net profits/(losses) of joint ventures and associates	3.2.5	49	22
Net profit/(loss) from continuing operations		300	263
Net profit/(loss) from discontinued operations			
NET PROFIT/(LOSS)		300	263
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP		301	261
Basic earnings per share from continuing operations (€)	16	9.22	8.01
Diluted earnings per share from continuing operations (€)	16	9.22	8.01
<i>(1) of which sales generated outside France</i>		9,289	7,175
<i>(2) of which reversals of unused provisions and impairment</i>	4.4	170	164

3. CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSE

(€ million)	2022	2021
Net profit/(loss)	300	263
Items not reclassifiable to profit or loss		
Actuarial gains/(losses) on post-employment benefits	139	64
Net tax effect of items not reclassifiable to profit or loss	(31)	(14)
Items reclassifiable to profit or loss		
Translation adjustments	10	106
Remeasurement of hedging assets	16	3
Net tax effect of items reclassifiable to profit or loss	(2)	(1)
Share of reclassifiable income and expense of joint ventures and associates	10	9
Total income and expense recognized in equity	142	167
TOTAL RECOGNIZED INCOME AND EXPENSE	442	430
Attributable to the Group	443	428
Attributable to non-controlling interests	(1)	2

4. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€ million)	Share capital Share premium	Reserves related to capital/ retained earnings	Consolidated reserves and profit/ (loss) for period	Treasury shares	Items recognized directly in equity	Total attributable to the Group	Non-controlling interests	Total
POSITION AT 12/31/2020 - RESTATED	455	839	1,504	(3)	(176)	2,619	24	2,643
Movements during 2021								
Net profit/(loss)			261			261	2	263
Income and expense recognized directly in equity					167	167		167
Total recognized income and expense			261		167	428	2	430
Capital and reserves transactions, net		119	(119)					
Acquisitions/disposals of treasury shares				1		1		1
Dividend paid			(95)			(95)	(1)	(96)
POSITION AT 12/31/2021	455	958	1,551	(2)	(9)	2,953	25	2,978
Movements during 2022								
Net profit/(loss)			301			301	(1)	300
Income and expense recognized directly in equity ⁽¹⁾			301		142	142		142
Total recognized income and expense			301		142	443	(1)	442
Capital and reserves transactions, net		(69)	69					
Dividend paid			(224)			(224)	(4)	(227)
POSITION AT 12/31/2022	455	889	1,697	(2)	133	3,172	20	3,192

(1) Change in translation reserve:

(€ million)	Group	Non-controlling interests	Total
Companies controlled by Colas	11	(1)	10
Joint ventures and associates	4		4
TOTAL	15	(1)	14

5. CONSOLIDATED CASH FLOW STATEMENT

I – Cash flow from continuing operations (€ million)	Note	FY 2022	FY 2021
Net profit/(loss) from continuing operations		300	263
Adjustments:			
Share of net profits/(losses) of joint ventures and associates, net of dividends received		(8)	33
Dividends from non-consolidated companies		(2)	(1)
Net charges to/(reversals of) depreciation, amortization and impairment of property, plant and equipment and intangible assets and non-current provisions		347	356
Net charges to amortization and impairment expense and other adjustments to right of use of leased assets		148	110
Gains and losses on asset disposals		(150)	(78)
Income taxes, including uncertain tax positions		142	148
Income taxes paid		(159)	(130)
Other non-cash income and expenses		(2)	1
Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid		616	702
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations		66	37
Changes in working capital requirements related to operating activities (including current impairment and provisions)	22.1	(251)	(140)
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES (A)		431	599
Purchase price of property, plant and equipment and intangible assets	3.1	(390)	(357)
Proceeds from disposals of property, plant and equipment and intangible assets	3.1	212	123
Net liabilities related to property, plant and equipment and intangible assets		7	26
Purchase price of non-consolidated companies and other investments		(2)	(7)
Proceeds from disposals of non-consolidated companies and other investments		2	1
Purchase price of consolidated activities		(128)	(266)
Proceeds from disposals of consolidated activities		29	24
Net liabilities related to consolidated activities	22.2	4	4
Other changes in scope of consolidation: Cash of acquired or divested companies	22.2	4	28
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies		23	46
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES (B)		(239)	(378)
Dividends paid to shareholders of the parent company		(224)	(95)
Dividends paid by consolidated companies to non-controlling interests		(4)	(1)
Change in current and non-current debt		23	(195)
Repayment of lease obligations		(151)	(110)
Income from net surplus cash/cost of net debt and interest expense on lease obligations		(66)	(37)
Other cash flows related to financing activities			(1)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES (C)		(422)	(439)
Effect of foreign exchange fluctuations (d)		(11)	14
CHANGE IN NET CASH POSITION (A+B+C+D)		(241)	(204)
Net cash position at start of period		164	368
Net cash flows		(241)	(204)
Non-monetary flows			
Held-for-sale operations			
NET CASH POSITION AT END OF PERIOD		(77)	164
II – Cash flow from discontinued operations (€ million)		FY 2022	FY 2021
Net cash position at start of period			
Net cash flows			
NET CASH POSITION AT END OF PERIOD			

6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 1 – SIGNIFICANT EVENTS**1.1 – SCOPE OF CONSOLIDATION
AS OF DECEMBER 31, 2022**

As of December 31, 2022, 502 entities were consolidated by Colas SA, compared with 522 as of December 31, 2021.

Number of consolidated entities	2022	2021
Companies controlled by Colas	319	327
Joint operations	53	65
Joint ventures and associates	130	130
TOTAL	502	522

A list of the main entities in the Group is provided in Note 24.

1.2 – SIGNIFICANT EVENTS**1.2.1 – Significant events of 2022**

On February 24, 2022, a military conflict broke out between Russia and Ukraine. Because Colas has only very limited operations in those two countries it is not directly impacted by the ongoing conflict. However, Colas continues to pay very close attention to macro-economic trends and to the direct and indirect repercussions for the Group's operations and profits.

Ongoing divestment of Branscome (USA)

Colas has reclassified the assets and liabilities of its Branscome subsidiary to "Held-for-sale assets and operations" and "Liabilities related to held-for-sale operations" in light of the ongoing divestment process.

Acquisition of Hasselmann

On August 9, 2022, Colas Rail signed an agreement to acquire a 100% equity interest in the Hasselmann group, which is based in Thuringia and specializes in the construction of rail track and infrastructures.

Hasselmann is a family-owned group, made up of three companies: Hasselmann GmbH (rail infrastructure), NTG GmbH (rail track), and LGM Logistik GmbH (rail safety). It currently employs nearly 300 people, and generated revenue of €70 million in 2021.

As of the date control was obtained (October 4, 2022), and pending completion of the purchase price allocation, provisional goodwill of €46 million was recognized (see Note 3.2.4.), and the impact on net debt was €63 million.

Sale and leaseback transactions

The Group has divested 39 sites in France for €70 million, and a site in Australia for the equivalent of €35 million. Those divestments were recognized as sales within the meaning of IFRS 15. Some of the sites were subsequently leased back, and consequently part of the gain on disposal has been reversed out in accordance with IFRS 16.

1.2.2 – Significant events of 2021**Acquisition of Destia**

On August 25, 2021, Colas SA signed an agreement to acquire 100% of the equity capital of Destia from Ahlström Capital, a Finnish family-owned investment company. Destia is the leading player in road, rail and energy infrastructure in Finland. Backed by a workforce of over 1,600 people, Destia generated sales of €569 million in 2021 and a net profit of €17 million in 2021.

The acquisition was completed in December 2021, and Destia is consolidated within the Colas Group financial statements with effect from December 31, 2021. The final amount of goodwill recognized as of December 31, 2022 was €191 million (see Note 3.2.4).

**1.2.3 – Significant events and changes in scope
of consolidation subsequent to December 31, 2022**

The Group is not aware of any significant events subsequent to the end of the reporting period.

**1.3 – COMPARABILITY OF THE FINANCIAL
STATEMENTS**

Changes in the scope of consolidation during 2022 do not have a material impact on the consolidated financial statements presented as of December 31, 2022, and do not impair comparability with the consolidated financial statements as of December 31, 2021.

NOTE 2 – GROUP ACCOUNTING POLICIES**2.1 – ACTIVITIES**

Colas is a world leader in the construction and maintenance of transport infrastructure.

Roads represent approximately 90% of total operations, including:

- the construction and maintenance of roads, motorways, airport runways, port facilities, industrial and logistics platforms, urban design features, reserved-lane public transport systems (tramways), recreational facilities, but also road safety and signaling, traffic management, and the manufacture, installation and maintenance of safety equipment. Such projects may be carried out through infrastructure concession and management activities including motorways, airports, urban road networks and urban public transport systems;
- civil engineering (small and large-scale infrastructure projects) and building (new build, renovation and demolition/deconstruction) activities, carried on by roads subsidiaries in certain regions;
- upstream of construction: production and recycling of construction materials (aggregates, emulsions and binders, asphalt mixes, ready-mix concrete, bitumen), built on a dense international network of quarries, emulsion plants, asphalt plants and concrete plants.

Colas also operates in other sectors, which account for approximately 10% of total operations:

- Railways, including design and engineering on complex major projects, and the construction, renewal and maintenance of railway infrastructure;
- water and energy transport, which includes the laying and maintenance of pipelines and ducting.

2.2 - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements of the Colas Group include the financial statements of Colas SA and its subsidiaries.

They were closed off by the Board of Directors on February 21, 2023, and will be submitted for approval by the forthcoming Annual General Meeting of the Shareholders on April 25, 2023.

The consolidated financial statements for the year ended December 31, 2022 were prepared in millions of euros (unless otherwise mentioned) and in accordance with IFRS using the historical cost convention, except for certain financial assets and liabilities measured at fair value where this is a requirement under IFRS. They include comparatives with the financial statements for the year ended December 31, 2021.

The Colas Group applied the same standards, interpretations and accounting policies for the year ended December 31, 2022 as were applied in its consolidated financial statements for the year ended December 31, 2021, except for changes required to meet new IFRS requirements applicable in 2022 (see below).

Principal amendments effective within the European Union and applicable in 2022

Amendments to IAS 37

On May 14, 2020, the IASB issued amendments to IAS 37, relating to onerous contracts. The amendments clarify what costs an entity considers in determining the cost of fulfilling a contract, in order to assess whether that contract is onerous. The impact of the amendments on the Group is immaterial.

Amendments to IAS 16

On July 2, 2021, the IASB issued amendments to IAS 16, relating to how entities account for the net proceeds generated by an item of property, plant and equipment while that item is being brought to the location and condition necessary for it to be operated. The amendments prohibit entities from deducting such proceeds from the cost of the item; rather, the proceeds generated by the sale and the corresponding costs must be recognized in profit or loss. The impact of the amendments on the Group is immaterial.

IFRS IC agenda decision on IAS 38

In April 2021, the IASB approved the December 2020 agenda decision of the IFRS Interpretations Committee (IFRS IC) on accounting for the costs of configuring or customizing application software in a Software as a Service (SaaS) arrangement. Depending on their nature, such costs are generally recognized as an expense, either immediately or

over the term of the contract. The Colas Group completed its analysis of the agenda decision and concluded that the impacts on the Group are immaterial. Opening shareholders' equity was not restated. All costs of configuring or customizing application software brought into service from January 1, 2022 onwards have been accounted for in accordance with the IFRS IC agenda decision.

New standards and interpretations effective within the European Union and mandatorily applicable from January 1, 2023

Amendments to IAS 12

On May 7, 2021, the IASB issued amendments to IAS 12 on accounting for deferred taxation on the initial recognition of a single transaction that gives rise to deferred tax assets and liabilities of equal amounts. The amendments apply to transactions in which an entity recognizes both an asset and a liability, such as when accounting for a lease or a decommissioning obligation, and were endorsed by the European Union on August 11, 2022.

An impact analysis is ongoing, and is due to be completed in the first quarter of 2023. At this stage, the impact on the Group would appear to be immaterial.

Exercise of judgement and use of estimates

In preparing consolidated financial statements to comply with IFRS standards and interpretations, the Group uses estimates and assumptions which may affect the amounts reported for assets, liabilities and contingent liabilities at the end of the reporting period, and the amounts of income and expenses reported for the period.

These estimates and assumptions have been applied consistently on the basis of past experience and of information available as of the date the financial statements were closed off, and of various other factors regarded as reasonable forming the basis of assessments of the valuations of assets and liabilities for accounting purposes. Actual results may subsequently differ materially from these estimates.

The main items involved are the impairment testing of goodwill and equity investments; the measurement of identifiable assets and liabilities in a purchase price allocation; employee benefits (lump-sum retirement benefits, pensions, etc.); the fair value of unlisted financial instruments; the recoverability of deferred tax assets, especially where there is a history of tax losses over a number of years; provisions (for litigation and claims, etc.); review of contracts to determine whether they contain a lease; factors taken into account when restating leases (lease terms and incremental borrowing rates, as described respectively in Notes 2.7.2. and Note 2.11.2); and end-of-contract margins on construction contracts (see Note 2.13.1).

Group management exercises judgement in the application of IFRS to certain transactions, in particular in (i) determining the level of control exercised over certain entities; (ii) identifying whether a contract is a lease; (iii) analyzing contingent consideration in business combinations; and (iv) identifying separate performance obligations for revenue recognition purposes.

Where no standard or interpretation applies to a specific transaction, Group management adopts accounting policies that will provide relevant information that gives a fair presentation and is comparable between periods, such that the consolidated financial statements:

- represent faithfully the financial position, financial performance and cash flows of the Group;
- reflect the economic substance of the underlying transactions;
- are neutral, prudent, and complete in all material respects.

Disclosures about judgements made by management are provided in the notes to the consolidated financial statements.

In preparing the financial statements, the Group has analyzed the potential impacts of climate change as of the present time. That analysis did not call into question the useful lives and residual or recoverable amounts of non-financial assets such as property, plant and equipment, intangible assets, goodwill, or rights of use of leased assets.

Held-for-sale assets and operations and discontinued operations

A non-current asset, or a group of directly-associated assets and liabilities, is regarded as being held for sale if its carrying amount will be recovered primarily through a sale rather than through continuing use. For this to be the case, the asset must be available for immediate sale, and its sale must be highly probable. Such held-for-sale assets or asset groups are measured at the lower of the carrying amount or the estimated selling price less costs to sell.

A discontinued operation is one that is material to the Group (having been treated as a cash generating unit) and that has either been divested or has been classified as a held-for-sale asset. Income statement and cash flow statement information about discontinued operations is reported in separate line items in the consolidated financial statements for all periods presented.

2.3 – CONSOLIDATION METHODS

Companies controlled by Colas

Companies over which Colas exercises control are consolidated.

Jointly-controlled companies

A joint venture or joint operation derives from a contractual arrangement whereby two or more parties undertake an economic activity which is subject to joint control. In the case of joint operations (which give each party direct rights over the assets and obligations for the liabilities), the assets, liabilities, income and expenses of the joint operation are consolidated in accordance with the interests held in the joint operation. Joint ventures, which give the parties rights over the net assets, are accounted for using the equity method.

Companies over which Colas exercises significant influence

An associate is a company over which Colas exercises significant influence without exercising control. Significant influence is presumed to exist where Colas directly or indirectly holds at least 20% of the entity's voting rights.

The net profit or loss and the assets and liabilities of such entities are accounted for by the equity method.

2.4 – BUSINESS COMBINATIONS

Since January 1, 2010, business combinations have been accounted for in accordance with the revised IFRS 3.

In a business combination, goodwill at the acquisition date represents (i) the sum total of the consideration transferred (i.e. acquisition price) and non-controlling interests minus (ii) the net amount recognized (usually at fair value) for the identifiable assets acquired and liabilities assumed, adjusted to reflect the fair value remeasurement of any previously-acquired equity interest. The revised IFRS 3 allows entities to elect one of two methods of accounting for non-controlling interests in each business combination:

- at fair value (full goodwill method), i.e. the non-controlling interests are allocated their share of goodwill;
- at the non-controlling interests' proportionate share of the acquired entity's identifiable assets and liabilities (partial goodwill method), i.e. no share of goodwill is allocated to the non-controlling interests.

Fair value is the price that would be received for selling an asset or paid for transferring a liability in an arm's length transaction between market participants as of the date of measurement.

Goodwill is allocated to the Cash Generating Unit (CGU) benefiting from the business combination or to the group of CGUs at the level of which return on investment is measured.

The purchase price allocation period is limited to the time required to identify and measure the acquired entity's assets and liabilities, the non-controlling interests, the consideration transferred and the fair value of any previously-held equity interest, subject to a maximum period of 12 months.

Amortization of intangible assets recognized in a purchase price allocation is charged against current operating profit.

Negative goodwill (i.e. gain from a bargain purchase) is taken to the income statement in the period in which the acquisition is made.

Subsequently, goodwill is carried at cost net of any impairment losses identified annually using the methods described in the sections on impairment testing in Note 2.7.4 ("Impairment testing of non-current assets, joint ventures and associates"), in accordance with IAS 36. Impairment losses are charged to the income statement as an operating item.

In accordance with the revised IFRS 3, the previously-held equity interest in a step acquisition is remeasured at fair value through profit or loss on the date when control is obtained. In the event of loss of control with a retained equity interest, that retained interest is remeasured at fair value; the gain or loss on remeasurement is recognized in profit or loss, along with the gain or loss arising on the disposal.

In the event of a change in percentage interest with no effect on control, the difference between the consideration transferred and the carrying amount of the non-controlling interest is recognized directly in equity attributable to the Group. Consequently, no additional goodwill is recognized.

All acquisition-related costs are recognized as an expense within operating profit for the period (as non-current items in “Other operating expenses” if they are significant in size).

In the event of a partial divestment of the component operations of a CGU, the Group usually allocates the goodwill in proportion to the value of the divested operation relative to the value of the CGU as measured at the date of divestment, unless it can be demonstrated that another method better reflects the goodwill of the divested operation; this policy complies with paragraph 86 of IAS 36.

Goodwill recognized prior to January 1, 2004 continues to be measured using the partial fair value method. Non-controlling interests are measured on the basis of the carrying amount of the relevant items as shown in the balance sheet of the acquired entity.

2.5 – FOREIGN CURRENCY TRANSLATION

Transactions denominated in foreign currencies

Transactions denominated in foreign currencies are translated into euros at the average exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at the closing exchange rate. Translation differences are recognized in profit or loss for the period. Non-monetary assets and liabilities denominated in foreign currencies and accounted for at historical cost are translated using the exchange rate on the date of the transaction.

Financial statements of entities with a functional currency other than the euro

All assets and liabilities of consolidated entities with a functional currency other than the euro are translated at the closing exchange rate. Income and expenses are translated at the average exchange rate for the period. Translation differences arising from this treatment, and arising from the retranslation of a subsidiary’s opening shareholders’ equity at the closing exchange rate, are presented within “Change in translation reserve” in the consolidated statement of changes in shareholders’ equity. Translation differences arising on the net investment in foreign subsidiaries and associates are recognized in shareholders’ equity.

2.6 – ASSESSMENT OF INCOME TAXES

Deferred taxation is recognized on differences between the carrying amount and tax base of assets or liabilities, and arises as a result of:

- temporary differences between the carrying amount and tax base of assets or liabilities, which may be:
 - items generating a tax liability in the future (deferred tax liabilities), arising mainly from accelerated tax depreciation that is liable to tax in future periods,
 - items deductible from taxable profits in the future (deferred tax assets), mainly provisions that are temporarily non-deductible for tax purposes. Such assets are recognized to the extent that it is probable that sufficient taxable profits will be available against which to offset the temporary differences, and are reviewed at the end of each reporting period;

- tax losses available for carry-forward (deferred tax assets), where it is probable that these losses will be recovered in future periods.

Deferred taxes are measured using national tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted in the relevant country at the end of the reporting period. As of December 31, 2022, the temporary differences and tax losses available for carry-forward of French entities were measured at the enacted rate of 25.83% for 2022 and future years.

Deferred taxes are not discounted, and are reported in non-current assets and liabilities.

2.7 – NON-CURRENT ASSETS

2.7.1 – Property, plant and equipment

Property, plant and equipment is measured at acquisition cost net of accumulated depreciation and impairment. Depreciation is recognized on a straight-line basis over the estimated useful life of the asset.

Principal useful lives applied

Land	(see below)
Non-operating buildings	20 to 40 years
Industrial buildings	10 to 20 years
Plant, equipment and tooling	5 to 20 years
Other property, plant and equipment (vehicles and office equipment)	3 to 10 years

Undeveloped and built-on land is not depreciated, but may be written down by an impairment allowance if required.

Land containing mineral deposits is depreciated on the basis of the rate of depletion, up to a maximum of 40 years.

Accumulated depreciation computed on this basis may not be lower than straight-line depreciation.

If an item of property, plant and equipment requires a long period of preparation before it can be used or sold, borrowing costs directly attributable to its acquisition or construction are capitalized as part of the acquisition cost.

In accordance with IAS 16, when an item of property, plant and equipment consists of components with different useful lives, each component is accounted for and depreciated as a separate item of property, plant and equipment.

Gains and losses on disposal represent the difference between the sale proceeds and the carrying amount, and are recognized in the income statement under “Other income and expenses from operations” unless they meet the criteria for classification within “Other operating income and expenses” (see Note 2.13.2).

Depreciation periods are reviewed annually, and may be adjusted if expected use differs from previous estimates.

Grants received

Investment grants received from national, regional or local governments are netted off the value of the assets concerned in the balance sheet, and depreciated at the same rate as those assets once receipt of the grant becomes unconditional.

2.7.2 – Right of use of leased assets

IFRS 16 defines the right of use under a lease as an asset that represents a lessee's right to use an underlying asset for the lease term. This right of use is recognized by the Group on the commencement date of the lease (the date on which the asset is made available). It is measured at cost, which includes:

- the initial amount of the lease obligation (see Note 2.11.2);
- lease payments made in advance to the lessor, less any lease incentives received from the lessor;
- material initial direct costs incurred by the lessee to obtain the lease, i.e., costs that would not have been incurred if the lease had not been obtained;
- an estimate of the costs of dismantling the leased asset, or restoring it to the condition required by the terms of the lease.

The right of use asset is amortized on a straight-line basis over the lease term. It is written down by means of an impairment allowance if there is an indication that it may have become impaired.

The lease term is the non-cancellable period for which the lessee has the right to use the underlying asset, including any extension or termination options the lessee is reasonably certain to exercise.

Within the Colas Group, rights of use relate mainly to property leases and equipment leases.

Where the Group enters into sale-and-leaseback transactions, involving a sale (within the meaning of IFRS 15) of an asset to a third party followed by leasing the asset back as lessee, the right of use asset (representing the Group's retained right of use) is calculated based on the proportion of the prior carrying amount of the transferred asset. That proportion is determined by reference to the ratio of the lease obligations to the selling price of the asset. Similarly, the gain on disposal is recognized only to the extent of the rights effectively transferred to the acquirer/lessor.

2.7.3 – Intangible assets

IAS 38 defines an intangible asset as an identifiable non-monetary asset without physical substance which is controlled by the entity. An asset is identifiable:

- if it is separable, i.e. capable of being independently sold, transferred, licensed, rented or exchanged;
- or if it is derived from contractual or other legal rights, whether separable or not.

An asset is controlled if the entity has the power to obtain the future economic benefits from that asset and to restrict the access of others to those benefits.

Intangible assets with finite useful lives are depreciable. Intangible assets with indefinite useful lives are not depreciable, but are subject to annual impairment testing and are reviewed at the end of each reporting period to ensure that their useful lives are still indefinite.

Intangible assets include:

- brands and customer relationships recognized as part of a purchase price allocation;
- development expenses:
 - development expenses are capitalized if the IAS 38 criteria are met (i.e. if they are expected to generate future economic benefits and their cost can be reliably measured),
 - in accordance with IFRS, incorporation and research expenses are expensed as incurred;
- concessions, patents and similar rights.

2.7.4 – Impairment testing of non-current assets, joint ventures and associates

Impairment tests are carried out on the carrying amount of non-current assets and investments in joint ventures and associates if there is objective evidence that they may have become impaired.

The carrying amounts of indefinite-lived intangible assets and goodwill are compared to their recoverable amounts at least at the end of each financial year.

Impairment testing method used:

In determining the recoverable amount, intangible assets to which independent cash flows cannot be directly allocated are grouped within the CGU to which they belong, or within the appropriate group of CGUs representing the lowest level at which management monitors return on investment.

The groups of CGUs used within Colas reflect the Group's organizational structure:

- Roads France/Overseas France-IO/Corporate CGU: consists of the Roads business and Road Safety & Signaling activities in France, the French overseas departments and the Indian Ocean; and Colas corporate headquarters;
- Roads EMEA (Europe-Middle East-Africa) CGU: consists of the Roads business in Europe (excluding France), the Middle East, Africa, and Latin America;
- Roads United States CGU: consists of the Roads business in the United States;
- Roads Canada CGU: consists of the Roads business in Canada;
- Roads Asia-Pacific CGU: consists of the Roads business in Asia and Oceania;
- Railways CGU: consists of the Railways business, in France and internationally;
- Water & Energy Transport CGU: consists of the Water & Energy Transport business, in France and internationally.

The recoverable amount is determined using the discounted cash flow (DCF) method, applied as follows:

- the cash flows are derived from the three-year business plan prepared by the CGU's management and presented to the Colas Board of Directors;
- the discount rate is determined on the basis of a weighted average cost of capital, in the case of equity by reference to a panel of comparable companies, and in the case of debt by applying two alternative capital structure scenarios: 1/3 debt – 2/3 equity (Scenario 1); 2/3 debt – 1/3 equity (Scenario 2);
- the terminal value is calculated by aggregating the discounted cash flows to infinity, based on normative cash flows after lease expenses and a perpetual growth rate.

The recoverable amount of the assets of the CGU as determined above is then compared with their carrying amount in the consolidated balance sheet, after including right of use assets and deducting lease obligations:

- if the recoverable amount exceeds the carrying amount in both scenarios, sensitivity to each of the parameters is analyzed on the basis of the two scenarios;
- if the recoverable amount is less than the carrying amount in either or both of the scenarios a more detailed analysis is performed to determine the recoverable amount, for example by using an independent valuer.

If the carrying amount in the consolidated balance sheet is greater than the recoverable amount, an impairment loss is recognized. Any such losses are allocated in the first instance to any goodwill carried in the balance sheet, and may not be subsequently reversed.

The method used to take account of IFRS 16 in impairment testing (as described above) is an accepted simplified approach.

Impairment testing of investments in joint ventures and associates

Because goodwill included in the carrying amount of a joint venture or associate is not reported separately, it is not tested separately for impairment, in line with IAS 36. An impairment loss is recognized if the carrying amount of the investment exceeds its recoverable amount; this loss is charged against the carrying amount of the investment, and may be reversed.

2.7.5 – Other non-current financial assets

Other non-current financial assets include loans and receivables (including advances to non-consolidated companies), deposits and caution money, and investments in non-consolidated companies (*i.e.*, those over which the Group exercises neither control nor significant influence).

Investments in non-consolidated companies are measured at fair value, with changes in fair value taken either to shareholders' equity in "Items not reclassifiable to profit or loss" or to the income statement in "Other financial income" or "Other financial expenses", depending on the treatment elected by the Group for each individual investment.

Fair value is the market price for listed investments, and estimated value in use for unlisted investments. Value in use is determined using the most appropriate financial criteria for each individual investment.

Advances to non-consolidated companies, and other loans and receivables, are accounted for at amortized cost, determined using the effective interest method.

In the case of floating-rate loans and receivables, cash flows are periodically re-estimated to reflect changes in market interest rates, resulting in an adjustment to the effective interest rate and hence to the valuation of the loan or receivable.

In accordance with IFRS 9 an impairment allowance is recognized on initial recognition to reflect the expected risk of loss during the next 12 months, and charged to profit or loss (see Note 3.2.6).

Concession arrangements and Public-Private Partnership (PPP) contracts

The Colas Group holds equity interests in entities that have entered into concession arrangements or PPP contracts. These contracts, which are accounted for in accordance with IFRIC 12, are assessed on a case-by-case basis.

Under the financial receivable method, the initial receivable represents the fair value of the activity undertaken; this receivable is subsequently measured at amortized cost using the method defined in IFRS 9.

Consequently, the receivable represents the fair value of the activity undertaken, plus cumulative interest calculated using the effective interest method, minus payments received from the grantor.

2.8 – CURRENT ASSETS

2.8.1 – Inventories

Inventories are measured at the lower of cost or net realizable value.

Cost includes all acquisition and transformation costs.

Acquisition cost includes the purchase price, customs duties and other non-recoverable taxes and duties, and transport and handling costs incurred to bring inventories to their current location.

Transformation cost includes all direct and indirect costs incurred to transform raw materials into finished goods.

On subsequent measurement, cost is calculated using the first in first out method or the weighted average cost method, depending on the nature of the inventory.

Net realizable value is the estimated selling price of the product less the estimated costs to complete and sell it.

Where the realizable value of inventory is lower than cost, the necessary provision for impairment is recognized.

2.8.2 – Trade receivables

Trade receivables are carried at face value, net of impairment recorded to reflect the probability of recovery. These receivables are usually short-term and non-interest-bearing. They are measured at the original invoice amount, unless application of an implied interest rate would have a material effect.

For contracts accounted for using the percentage of completion method, trade receivables include invoices and statements issued as works are executed or services provided, and accepted by the project owner.

2.8.3 – Customer contract assets

Customer contract assets represent revenue recognized on a percentage of completion basis where billing is contingent on the supply of other goods and services and/or on the attainment of contractually agreed milestones.

2.8.4 – Other current receivables and prepaid expenses

Other receivables are carried at face value, net of impairment recorded to reflect the probability of recovery.

2.9 – FINANCIAL INSTRUMENTS

Some Group entities use hedging instruments to limit the impact on profit or loss of fluctuations in exchange rates, interest rates and commodity prices. The Group's policy on the use of financial instruments is described below.

2.9.1 – Risks to which the Group is exposed

Foreign exchange risk

The Group has low exposure to foreign exchange risk in its ordinary commercial operations, because a significant proportion of consolidated revenue (49% in 2022) is generated within the euro zone, and the subsidiaries generate only a very small proportion of their revenue from exports.

In most cases, international revenue is generated by local subsidiaries that invoice and incur expenditure in the currency of the country where the works are carried out. That means that fluctuations in exchange rates have no material impact on the Group's revenue and profits apart from currency translation effects arising from fluctuations in average exchange rates. Because more than a quarter of revenue is generated in North America, the Group is sensitive to fluctuations in the exchange rate of the US and Canadian dollars against the euro.

Borrowings and deposits are pooled in the local currency of each country (euro, US dollar, Canadian dollar, etc.).

The Group pays particular attention to risks relating to assets denominated in non-convertible currencies, and to country risk generally.

Interest rate risk

The Group's interest expense has low sensitivity to interest rate fluctuations because floating-rate debt is partly matched by surplus cash invested at floating rates. If floating-rate debt is not matched by surplus cash over an extended period, interest rate hedges are contracted on an as-needed basis.

In addition to the floating-rate debt carried on the balance sheet, the seasonal nature of the Group's operations may require short-term borrowings to be contracted.

Consolidated financial expenses would be only marginally affected by fluctuations in euro interest rates, or by a divergence in interest rate trends between the euro and other major currencies.

Commodities risk

The Group is sensitive to fluctuations in commodity prices (especially petroleum-based products in the Roads business); there is also some exposure to the prices of certain metals in the Road Safety & Signaling and Railway businesses.

2.9.2 – Principles applied to all hedging instruments

Instruments used for hedging purposes are restricted to products such as:

- for hedging foreign exchange risk: forward currency purchases and sales, currency swaps, cross-currency swaps and currency options;
- for hedging interest rate risk: interest rate swaps, future rate agreements, purchases of caps and collars, and interest rate options;
- for hedging commodities risk: forward commodity purchases and sales, commodity swaps and commodity options.

These instruments have the following characteristics:

- they are used solely for hedging purposes;
- they are contracted solely with high-quality French and foreign banks;
- they carry no liquidity risk in the event of reversal.

The use of hedging instruments and selection of counterparties – and more generally, the management of exposure to foreign exchange risk, interest rate risk and commodities risk – are subject to specific detailed monitoring which is reported to the bodies responsible for management and control within the relevant companies, including the parent company (Colas SA).

2.9.3 – Hedging rules

Foreign exchange risk

The policy applied is to hedge the residual foreign exchange exposure relating to commercial transactions. If the future cash flow is certain, the foreign exchange risk is hedged by buying or selling currency forward, or by means of currency swaps. For some large contracts, options may be taken out for hedging purposes before the contract award has been confirmed; if the hedged item ceases to exist (for example, if the service is not provided or the contract is cancelled), the hedge is closed out immediately.

To the extent possible, acquisitions of foreign subsidiaries are financed in local currency. As a general rule, assets denominated in foreign currencies are not intended to be sold and are not hedged against foreign exchange risk.

As part of the process of optimizing the Group's cash position by enabling surplus cash loaned to or borrowed from subsidiaries to be converted into the subsidiary's local currency as a substitute for bank credit facilities, forward currency hedges may be used to eliminate foreign exchange risk.

In the interests of efficiency, the currency positions of some Group entities may be managed centrally, which in some cases may result in the offset of matching positions.

Interest rate risk

The policy applied is to hedge at Group level some or all financial assets and liabilities, where those are foreseeable and recurring.

The aim is to control future interest expense by fixing the cost of debt using swaps and future rate agreements, or by limiting it through the use of caps, for a term linked to that of the hedged financial liabilities.

As with foreign exchange risk, the interest rate positions of some Group entities may, in the interests of efficiency, be managed centrally and partially offset.

Commodities risk

The policy applied is to hedge at Group level some or all of the exposure to movements in commodity prices on specific contracts.

2.9.4 – Accounting policy on financial instruments

In general, the financial instruments used by the Group qualify for hedge accounting, which means that the hedging relationship is documented in accordance with the requirements of IFRS 9. Three types of accounting treatment are used:

- fair value hedges: changes in the fair value of the hedging instrument and changes in the fair value of the hedged item are recognized symmetrically in the income statement;
- cash flow hedges: changes in the fair value of the hedging instrument are recognized in the income statement for the ineffective portion of the hedging relationship, and in shareholders' equity (until the hedge is closed out) for the effective portion;
- hedges of a net investment in a foreign operation: changes in the intrinsic value of the hedging instrument are recognized in shareholders' equity until the hedge is closed out.

2.10 CONSOLIDATED SHAREHOLDERS' EQUITY

Treasury shares are deducted from consolidated shareholders' equity. If a Group subsidiary holds its own shares, an additional percentage interest in that subsidiary is recognized at Group level.

2.10.1 – Translation reserve

The translation reserve represents translation differences arising since January 1, 2004, when the reserve was deemed to be zero and the balance transferred to "Retained earnings". In the event of disposal of a subsidiary, associate or joint venture that prepares its accounts in a foreign currency, the cumulative translation reserve as of the date of disposal is recycled through profit or loss, such that the gain or loss on disposal is calculated without the effect of exchange rate fluctuations.

2.10.2 – Information about the management of capital

The objective of Colas management in managing capital is to maintain consolidated shareholders' equity at a level consistent with:

- maintaining a reasonable ratio of net debt to shareholders' equity;
- distributing regular dividends to shareholders.

However, the level of equity may vary over short periods, especially if a strategically important investment opportunity arises.

The business plan is a key management tool, used by the parent company to assess the financial position of each operating segment and of the Group as a whole, and the effects on consolidated shareholders' equity.

Some performance indicators used by Colas may be calculated with reference to shareholders' equity, but most are not.

The shareholders' equity of the Colas Group is not subject to any restriction under the articles of association.

2.11 NON-CURRENT LIABILITIES

2.11.1 – Non-current debt

With the exception of derivative instruments accounted for as liabilities measured at fair value (including a counterparty risk component, which is immaterial), all other borrowings and financial liabilities are accounted for at amortized cost using the effective interest method.

The portion of debt due within less than one year is included in current liabilities.

2.11.2 – Non-current lease obligations

In accordance with IFRS 16, on commencement of a lease the lessee recognizes a lease obligation in the balance sheet, equivalent to the present value of the lease payments over the lease term.

The following amounts are included in the lease payments used to measure the obligation:

- fixed payments (including in-substance fixed payments, *i.e.* payments that may in form contain variability, but in substance are unavoidable);
- variable lease payments that depend on an index or a rate at the commencement date of the lease;
- payments due by the lessee under residual value guarantees;
- the exercise price of a purchase option, if that option is reasonably certain to be exercised;
- payments of penalties for terminating or not extending the lease.

During the term of the lease, the carrying amount of the lease obligation is:

- increased to reflect interest on the lease obligation, which is recognized as an expense in the income statement and calculated using the discount rate used on initial measurement; and
- reduced to reflect lease payments made.

The discount rate used to calculate the lease obligation is determined for each asset on the basis of the incremental borrowing rate at the inception date of the lease. That rate is obtained by aggregating a market rate that reflects the location, currency and lease term, and a sector-specific spread that reflects the nature of the lease.

The Group has elected to apply the practical expedients permitted by IFRS 16 to exclude leases where the as-new value of the underlying asset is less than €5,000, and assets where the lease term is reasonably certain to be less than twelve months. Such leases are recognized in profit or loss as and when lease payments are made. The Group has also elected to account for each lease component separately, distinguishing the lease components from the non-lease (service) components.

As permitted by IFRS 16, the Colas Group has not elected to apply the standard to leases of intangible assets.

The portion of lease obligations due within less than one year is included in current liabilities.

2.11.3 – Non-current provisions

In accordance with IAS 37, a provision is recorded at the end of the reporting period if the Group has an obligation to a third party resulting from a past event and it is probable that settlement of the obligation will result in a net outflow from the Group of resources embodying economic benefits.

The amount recognized as a provision represents the Group's best estimate of the net outflow of resources.

In general, non-current provisions are not associated with the Colas Group's normal operating cycle. They mainly comprise:

Employee benefits

Pensions

To cover their post-employment pension obligations to employees, Group companies make regular payments to external bodies including public-sector and private-sector pension schemes and independent pension fund managers (defined-contribution plans).

However, some defined-benefit pension plans remain in place in the United Kingdom, Ireland, Canada and Switzerland. With the exception of the Colas Rail Ltd plan, those plans cover only a limited number of employees, as it was decided some years ago to close them to new entrants. These pension plans are managed by independent pension fund managers.

Actuarial gains and losses are recognized in "Other recognized income and expense".

Lump-sum retirement benefits

The cost of these benefits is calculated using the projected unit credit method based on final salary. The calculation method is based on individual projections and takes into account:

- status, age and length of service for each employee category;
- employee turnover, calculated on the basis of the average number of voluntary leavers by business segment, age bracket and employee category;
- average salary and wages including bonuses and benefits in kind, uplifted by a coefficient to reflect the applicable percentage of employer's social security charges;
- a final salary inflation rate;
- a discount rate applied to the obligation over the projected period to the retirement date;
- estimated mortality, based on mortality tables.

Actuarial gains and losses are recognized in "Other recognized income and expense".

Benefit entitlements are recognized on a straight-line basis only over the final years of the period of service during which employees' capped benefits vest.

Long service awards

The vast majority of Group companies have a long-standing and systematic policy of awarding long service bonuses. The calculation method is based on individual projections and takes into account (i) employee turnover and (ii) estimated mortality, based on mortality tables.

Actuarial gains and losses are recognized in profit or loss.

Litigation and claims

Litigation and claims on contracts

The amount of risk provided for is measured on the basis of the claim made by the complainant, or an estimate of remedial works issued by court-appointed experts.

Risks relating to tax, social security and other official inspections

Reassessments are recognized in profit or loss in the period in which they are accepted by the Group; if they are contested, a provision is recognized (except where they relate to corporate income taxes, in which case a tax liability is recognized).

Provisions for customer warranties (long term)

These represent an estimate of works to be carried out under warranties that exceed the length of the operating cycle (1 to 2 years), such as the 10-year warranty provided on some constructions.

Site remediation costs (long term)

Detailed estimates are prepared of the remediation costs that will be incurred when quarries are exhausted or their operating licenses expire; these include labor and materials costs, and a share of overheads. Only costs that will be incurred more than twelve months after the end of the reporting period are included in this line item.

2.12 CURRENT LIABILITIES

2.12.1 – Current provisions

These are provisions related to the Colas Group's normal operating cycle, and mainly comprise:

Provisions for customer warranties (valid for up to two years)

Provisions for completion of snagging lists under contractual warranties are assessed individually for each project.

Provisions for site clean-up

These comprise costs to be incurred on post-contract clean-up, including the removal of plant and equipment. Such costs are assessed individually for each project, taking account of the size of the projects and the distance of the site from permanent Colas facilities.

Provisions for expected losses to completion

These relate to construction contracts in progress, and take account of claims accepted by the customer. They are measured on a contract-by-contract basis, with no netting between them.

Site rehabilitation costs

These provisions cover the cost of rehabilitating sites (mainly quarries) after operations cease, where the work is to be carried out within the twelve months following the end of the reporting period.

As required by IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", information about the most significant provisions is disclosed to the extent that such disclosure is not prejudicial to the Group's interests.

2.12.2 – Trade payables

Because of the short-term nature of these liabilities, the carrying amounts shown in the consolidated financial statements are a reasonable estimate of market value.

2.12.3 – Customer contract liabilities

Customer contract liabilities represent the Group's obligation to transfer goods and services for which payment has already been received from a customer, or where the Group has an unconditional right to receive payment. They include advances and down-payments received on orders, and differences arising from the percentage of completion on a contract (see Note 11).

2.13 INCOME STATEMENT

As allowed under IAS 1, the Group presents an income statement that classifies expenses by nature. In presenting its income statement, the Group has applied ANC Recommendations 2013-03 of November 7, 2013, and 2012-01 and 2012-02 of December 21, 2012.

2.13.1 – Revenue recognition

The Group recognizes revenue when:

- a customer contract, and the performance obligations within that contract, have been identified;
- a transaction price has been determined, and allocated between the performance obligations;
- the distinct performance obligations under the contract have been satisfied;
- it is probable that the future economic benefits of the transaction will flow to the Group;
- the amount of revenue can be reliably measured;
- at the transaction date, it is probable that the amount of the sale will be recovered.

Customer contracts are analyzed to determine what performance obligations they contain; most of the Group's contracts contain a single performance obligation.

Sales of goods (bitumen and aggregates)

Revenue is recognized when control of the goods is transferred, i.e., on delivery.

Sales of services (railway infrastructure maintenance, Water & Energy Transport)

Revenue is recognized as the service is provided.

Construction contracts (road or railway infrastructure construction)

Revenue from construction activities corresponds to the latest estimate of the total selling price, and takes account of claims that have been accepted by the customer or are highly probable.

Such revenue is recognized at the end of each period using the percentage of completion method, with the rate of completion determined on the basis of the cost of works completed.

As soon as a loss on a contract is known and can be reliably measured, it is covered by a provision for expected losses to completion within "Current provisions" in the balance sheet. The loss is provided for in full, irrespective of the completion rate.

2.13.2 – Other operating income and expenses

These line items contain a very limited number of income and expense items, which are unusual and occur infrequently but are of particularly large amounts. The Group reports these items separately in its income statement to give users of the financial statements a better understanding of ongoing operational performance.

For a description of these items, refer to Note 13.

2.13.3 – Cost of net debt

"Cost of net debt" includes expenses and income related to cash and cash equivalents, and borrowing costs.

2.14 CONSOLIDATED CASH FLOW STATEMENT

The consolidated cash flow statement is presented in accordance with the amended IAS 7 and with ANC Recommendation 2013-03 of November 7, 2013 (using the indirect method). The cash flow statement explains changes in the Group's net cash position, which is defined as the net total of the following balance sheet items:

- cash and cash equivalents;
- overdrafts and short-term bank borrowings.

Consolidated net profit is adjusted to eliminate the impact of transactions with no cash effect, and of income and expenses related to investing or financing activities.

2.15 OTHER FINANCIAL INDICATORS

"Current operating profit from activities", "EBITDA after Lease", "Net surplus cash/(net debt)" and "Free cash flow" are non-IFRS financial measures that provide additional information of relevance to shareholders in understanding the Group's performance and financial position. Those indicators are presented in Note 17 to the consolidated financial statements.

2.15.1 – Current operating profit from activities

"Current operating profit from activities" (COPA) represents current operating profit before amortization and impairment of intangible assets recognized in business combinations.

2.15.2 – EBITDA after Leases

"EBITDA after Leases" is defined as current operating profit after taking account of interest expense on lease obligations, before (i) net depreciation, amortization and impairment expense on property, plant and equipment and intangible assets, (ii) net charges to provisions and impairment losses, and (iii) effects of losses of control (i.e., effects relating to the remeasurement of retained equity interests).

"Other income from operations" and "Other expenses from operations", which are a component of current operating profit, mainly comprise:

- reversals of unutilized provisions and impairment;
- net foreign exchange differences on commercial transactions;
- gains and losses on disposals of non-current assets;
- profits and losses from joint operations, representing the Group's share of profits or losses from non-consolidated companies such as *Sociétés en Participation* (SEPs), for example those that operate asphalt and binder production facilities;

- royalties from the licensing of patents;
- revenue from sales of raw material (bitumen) by Colas subsidiaries to asphalt and emulsion entities in the form of SEPs or economic interest groupings that subsequently sell the asphalt and emulsion back to Colas subsidiaries (with the expense recognized in "Purchases used in production").

2.15.3 – Net debt/net surplus cash

Net debt (or net surplus cash) is obtained by aggregating the following items:

- cash and cash equivalents;
- overdrafts and short-term bank borrowings;
- non-current and current debt;
- financial instruments (used to hedge financial liabilities measured at fair value).

Net debt/net surplus cash does not include non-current and current lease obligations.

A positive figure represents net surplus cash and a negative figure represents net debt.

2.15.4 – Free cash flow

Free cash flow is defined as net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in working capital requirements related to operating activities.

2.15.5 – Changes in working capital requirements related to operating activities

"Changes in working capital requirements related to operating activities" as presented in the cash flow statement is obtained by aggregating net changes in:

- inventories and work in progress;
- advances and down-payments made on orders;
- trade receivables;
- customer contract assets;
- trade payables;
- customer contract liabilities;
- current provisions; and
- other current asset and liability items, excluding (i) income taxes; (ii) net cash and cash equivalents and current debt; (iii) hedging instruments; (iv) current lease obligations; and (v) receivables/liabilities related to property, plant and equipment and intangible assets.

NOTE 3 – NON-CURRENT ASSETS

3.1 – ACQUISITIONS OF NON-CURRENT ASSETS DURING THE YEAR, NET OF DISPOSALS

	2022	2021
Property, plant and equipment	381	348
Intangible assets and goodwill	9	9
Capital expenditure ^(a)	390	357
Acquisitions of consolidated activities and investments in non-consolidated companies ^(b)	130	273
Acquisitions of non-current assets	520	630
Proceeds from disposals of property, plant and equipment and intangible assets ^(c)	(212)	(123)
Proceeds from disposals of equity investments	(31)	(25)
ACQUISITIONS OF NON-CURRENT ASSETS, NET OF DISPOSALS	277	482

- (a) Corresponds to the total of the "Purchase price of property, plant and equipment and intangible assets" line in the consolidated cash flow statement.
(b) Corresponds to the total of the "Purchase price of non-consolidated companies and other investments" and "Purchase price of consolidated activities" lines in the consolidated cash flow statement.
(c) Corresponds to the total of the "Proceeds from disposals of property, plant and equipment and intangible assets", "Proceeds from disposals of non-consolidated companies and other investments" and "Proceeds from disposals of consolidated activities" lines in the consolidated cash flow statement.

3.2 – NON-CURRENT ASSETS: MOVEMENTS DURING THE PERIOD

3.2.1 – Property, plant and equipment

	Land and buildings	Plant, equipment and tooling	PP&E under construction and advance payments	Total
Gross value				
12/31/2020	1,806	5,618	120	7,544
Translation adjustments	57	171	7	235
Transfers between accounts	15	97	(108)	4
Changes in scope of consolidation	(4)	114	3	113
Acquisitions during the period	34	134	180	348
Disposals and other reductions	(90)	(393)	(5)	(488)
12/31/2021	1,818	5,741	197	7,756
Translation adjustments	13	36	1	50
Transfers between accounts	13	112	(123)	2
Changes in scope of consolidation	(18)	(22)	(1)	(41)
Acquisitions during the period	30	154	197	381
Disposals and other reductions	(67)	(256)	(4)	(327)
12/31/2022	1,789	5,765	267	7,821
Depreciation and impairment				
12/31/2020	(789)	(4,433)		(5,222)
Translation adjustments	(17)	(135)		(152)
Transfers between accounts	1	(1)		
Changes in scope of consolidation	16	(74)		(58)
Charges and reversals	(58)	(322)		(380)
Disposals and other reductions	58	373		431
12/31/2021	(789)	(4,592)		(5,381)
Translation adjustments	(4)	(32)		(36)
Transfers between accounts	(2)	(7)		(9)
Changes in scope of consolidation	9	47		56
Charges and reversals	(57)	(312)		(369)
Disposals and other reductions	38	239		277
12/31/2022	(805)	(4,657)		(5,462)
Carrying amount				
12/31/2020	1,017	1,185	120	2,322
Of which mineral deposits (quarries)	316			316
12/31/2021	1,029	1,149	197	2,375
Of which mineral deposits (quarries)	330			330
12/31/2022	984	1,108	267	2,359
Of which mineral deposits (quarries)	321			321

3.2.2 – Right of use of leased assets

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	Total
Gross value				
12/31/2020	370	116	263	749
Translation adjustments	7	8	11	26
Changes in scope of consolidation	26	46	(30)	42
New leases, lease modifications, and other lease-related movements	25	89	27	141
12/31/2021	428	259	271	958
Translation adjustments	3	(3)	(2)	(2)
Changes in scope of consolidation	(4)	3	(6)	(7)
New leases, lease modifications, and other lease-related movements	47	108	44	199
12/31/2022	474	367	307	1,148
Amortization and impairment				
12/31/2020	(187)	(50)	(101)	(338)
Translation adjustments	(4)	(3)	(5)	(12)
Changes in scope of consolidation	(5)	(23)	18	(10)
Charges and reversals	(45)	(34)	(32)	(111)
New leases, lease modifications, and other lease-related movements	27	5	13	45
12/31/2021	(214)	(105)	(107)	(426)
Translation adjustments	(1)	1	2	2
Changes in scope of consolidation		2	3	5
Charges and reversals	(49)	(55)	(44)	(148)
New leases, lease modifications, and other lease-related movements	18	14	19	51
12/31/2022	(246)	(143)	(127)	(516)
Carrying amount				
12/31/2020	183	66	162	411
12/31/2021	214	154	164	532
12/31/2022	228	224	180	632

3.2.3 – Intangible assets

	Concessions, patents and other rights ⁽¹⁾	Other	Total
Gross value			
12/31/2020	194	178	372
Translation adjustments	5	12	17
Transfers between accounts	9	(9)	
Changes in scope of consolidation	30		30
Acquisitions during the period	2	7	9
Disposals and other reductions	(5)	(3)	(8)
12/31/2021	235	185	420
Translation adjustments	1	1	2
Transfers between accounts	(4)	8	4
Changes in scope of consolidation	20	14	34
Acquisitions during the period	2	7	9
Disposals and other reductions	(4)	(6)	(10)
12/31/2022	250	209	459
Amortization and impairment			
12/31/2020	(107)	(69)	(176)
Translation adjustments	(4)	(4)	(8)
Transfers between accounts			
Changes in scope of consolidation	(24)	(1)	(25)
Charges and reversals	(8)	(10)	(18)
Disposals and other reductions	3	2	5
12/31/2021	(140)	(82)	(222)
Translation adjustments	(1)	(1)	(2)
Transfers between accounts	9	(10)	(1)
Changes in scope of consolidation	1		1
Charges and reversals	(11)	(12)	(23)
Disposals and other reductions	2	5	7
12/31/2022	(140)	(100)	(240)
Carrying amount			
12/31/2020	87	109	196
12/31/2021	95	103	198
12/31/2022	110	109	219

(1) "Concessions, patents and other rights" mainly comprise quarry operating rights and, to a lesser extent, patents and software.

In accordance with IFRS, research costs are expensed as incurred.

Development costs (including software development costs) are in most cases also expensed as incurred, as they represent permanent recurring expenditure. There are no projects that meet the IAS 38 criteria for recognition as an asset.

3.2.4 - Goodwill

	Gross value	Impairment	Carrying amount
12/31/2020	746	(49)	697
Changes in scope of consolidation	213		213
Impairment losses charged during the period			
Other movements (including translation adjustments)	19		19
Disposals and other reductions			
12/31/2021	978	(49)	929
Changes in scope of consolidation	7		7
Impairment losses charged during the period			
Other movements (including translation adjustments)	4		4
Disposals and other reductions			
12/31/2022	989	(49)	940

“Changes in scope of consolidation” relates mainly to (i) the goodwill allocated to Branscome, which has been reclassified to “Held-for-sale assets and operations” (reduction of €20 million); (ii) the Destia purchase price allocation (reduction of €21 million); and (iii) the provisional goodwill arising on the acquisition of the Hasselmann group (increase of €46 million).

Other movements mainly comprise translation adjustments in the United States (+€5 million).

The final amount of goodwill on the Destia acquisition as of December 31, 2022 was determined by an independent valuer as follows:

	Destia Oy
Purchase price: (I)	252
Net assets acquired, excluding goodwill: (II)	(40)
Non-current assets	(71)
Current assets	(137)
Non-current liabilities	28
Current liabilities	140
Purchase price allocation: (III)	(21)
Remeasurement of acquired intangible assets (1)	(27)
Other remeasurements (deferred taxes & other)	6
Goodwill (I)+(II)+(III)	191
Translation adjustments	
GOODWILL AT 12/31/2022	191

(1) The fair value of intangible assets recognized for Destia mainly relates to the brand.

The provisional goodwill on the Hasselmann acquisition as of December 31, 2022 was determined by an independent valuer as follows:

	Hasselmann group
Purchase price: (I)	71
Net assets acquired, excluding goodwill: (II)	(25)
Non-current assets	(11)
Current assets	(35)
Non-current liabilities	8
Current liabilities	13
Provisional purchase price allocation: (III)	
Remeasurement of acquired intangible assets	
Other remeasurements (deferred taxes & other)	
Provisional goodwill (I)+(II)+(III)	46
Translation adjustments	
PROVISIONAL GOODWILL AS OF 12/31/2022	46

Impairment testing of indefinite-lived intangible assets and goodwill

When there is an indication that an asset may have become impaired, it is tested for impairment using the method described in Note 2.7. Such tests are performed at least once a year, after management has updated the budgets and three-year plans. An impairment loss is recognized within operating profit if the carrying amount of an asset or CGU exceeds its recoverable amount.

The cash flows used for impairment testing reflect any financial impacts arising from the commitments made by the Group in its roadmap for addressing climate risks.

An analysis as of December 31, 2022 of indefinite-lived intangible assets and goodwill by CGU, and of the main assumptions used in impairment testing, is provided below:

Cash Generating Unit	Goodwill	Indefinite-lived intangible assets	Growth rate	Discount rate	
				Scenario 1 ⁽¹⁾	Scenario 2 ⁽¹⁾
Roads France/Overseas France-IO/Corporate	138	19	2%	6.90%	6.47%
Roads EMEA	226	21	2%	6.90%	6.47%
Roads United States	77		2%	6.90%	6.47%
Roads Canada	144	19	2%	6.90%	6.47%
Roads Asia-Pacific	42		2%	6.90%	6.47%
Railways	289		2%	6.90%	6.47%
Water & Energy Networks	24		2%	6.90%	6.47%
TOTAL	940	59			

(1) Depending on the capital structure: 1/3 debt - 2/3 equity (Scenario 1); 2/3 debt - 1/3 equity (Scenario 2).

For all the CGUs tested, the recoverable amounts determined under each capital structure scenario remain above the carrying amounts of the assets tested. Consequently, Colas did not consider recording impairment losses against the carrying amounts of the CGUs.

Sensitivity analyses were performed for each CGU to determine the sensitivity of the calculation to key parameters, either individually or using combined scenarios for discount rates and normative cash flows (including reasonably possible changes in normative cash flows).

Changes in assumptions applied for sensitivity analysis purposes:

- discount rate: +100 basis points;
- growth rate: -200 basis points;
- normative cash flows: -20%.

For all sensitivities, recoverable amounts would exceed carrying amount for all assets tested.

The recoverable amount of the CGUs would equal the carrying amount of the assets tested in each of the scenarios (1 & 2) taken individually if the following data were applied:

Cash Generating Unit	Discount rate	Change in normative cash flows		Perpetual growth rate	
	Scenario 1/Scenario 2 ⁽¹⁾	Scenario 1 ⁽¹⁾	Scenario 2 ⁽¹⁾	Scenario 1 ⁽¹⁾	Scenario 2 ⁽¹⁾
Roads France/Overseas France-IO/Corporate	63%	(104%)	(104%)	N/M	N/M
Roads EMEA	17%	(75%)	(78%)	(10%)	(11%)
Roads United States	17%	(77%)	(79%)	(11%)	(12%)
Roads Canada	12%	(58%)	(62%)	(4%)	(5%)
Roads Asia-Pacific	10%	(41%)	(47%)	(1%)	(2%)
Railways	16%	(74%)	(76%)	(10%)	(10%)
Water and energy transport	44%	(98%)	(98%)	(68%)	(69%)

(1) Depending on the capital structure: 1/3 debt - 2/3 equity (Scenario 1); 2/3 debt - 1/3 equity (Scenario 2); N/M = not meaningful.

3.2.5 - Investments in joint ventures and associates

	Share of net assets held	Goodwill and fair value remeasurements	Total gross value	Impairment	Carrying amount
12/31/2020	332	101	433	(38)	395
Share of net profits/(losses) for the period	24		24	(2)	22
Translation adjustments	9		9		9
Changes in scope of consolidation	(8)	(1)	(9)		(9)
Acquisitions and other increases	(1)		(1)		(1)
Dividends paid	(55)		(55)		(55)
Transfers and other movements	9		9		9
12/31/2021	310	100	410	(40)	370
Share of net profits/(losses) for the period	51		51	(2)	49
Translation adjustments	3	1	4		4
Changes in scope of consolidation	12		12		12
Acquisitions and other increases					
Dividends paid	(41)		(41)		(41)
Transfers and other movements	3		3		3
12/31/2022	338	101	439	(42)	397

“Changes in scope of consolidation” relate mainly to the new associate Com'in (capital increase of €10 million). Other movements mainly comprise the dividends paid out by Tipco Asphalt (€14 million) and by associates of Colas Canada (€7 million).

Principal associates and joint ventures	Share of net assets held		Share of net profit/(loss) for period	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Associates				
Tipco Asphalt ⁽¹⁾	137	127	20	20
Mak Mecsek ⁽²⁾	35	35	3	3
Miscellaneous associates	10	13	2	1
Joint ventures				
Al-Futtaim Colas LLC	17	18	1	1
Hincol	18	16	6	5
Colas Contracting Pty Ltd	11	12	(0)	2
Miscellaneous joint ventures ⁽³⁾	110	89	17	(10)
TOTAL	338	310	49	22

(1) Tipco Asphalt, based in Bangkok (Thailand), distributes and sells bituminous products in south-east Asia, and is listed on the Stock Exchange of Thailand.

(2) Mak Mecsek holds a 30-year PPP concession to build and operate a new 80-km section of the M6 (50 km) and M60 (30 km) motorways in south-west Hungary.

(3) Most of these joint ventures are industrial entities (quarries, emulsion plants) operated jointly with partners from outside the Group, none of which is individually material.

3.2.6 – Other non-current financial assets

	Investments in non-consolidated companies	Other financial assets	Total gross value	Impairment	Carrying amount
12/31/2020	29	151	180	(3)	177
Translation adjustments		4	4		4
Changes in scope of consolidation	1	7	8		8
Acquisitions and other increases	5	12	17		17
Charges, reversals and changes in fair value	(1)		(1)	2	1
Disposals and other reductions		(55)	(55)		(55)
Transfers and other movements		(10)	(10)		(10)
12/31/2021	34	109	143	(1)	142
Translation adjustments	(1)	(2)	(3)		(3)
Changes in scope of consolidation	(7)		(7)		(7)
Acquisitions and other increases	2	8	10		10
Charges, reversals and changes in fair value	2		2	(2)	
Disposals and other reductions	(4)	(29)	(33)		(33)
Transfers and other movements		5	5		5
12/31/2022	26	91	117	(3)	114
Impairment		(3)	(3)		
12/31/2022 CARRYING AMOUNT	26	88	114		

As of December 31, 2022, these comprised:

- investments in non-consolidated companies amounting to €26 million;
- other financial assets (loans, receivables, etc.) with a carrying amount of €88 million.

3.2.6.1 Analysis of principal investments in non-consolidated companies

	12/31/2022 – Carrying amount	12/31/2021 – Carrying amount
Asphalt, binder and quarry companies	15	15
Companies not controlled by the Group	5	9
Dormant companies and companies in process of liquidation	3	3
Other	3	7
TOTAL	26	34

3.2.6.2 Analysis of other financial assets

	Gross value	Impairment	12/31/2022 Carrying amount	12/31/2021 Carrying amount
Loans receivable ⁽¹⁾	35	(3)	32	37
City of Portsmouth (UK) ⁽²⁾	34		34	43
Other financial receivables	22		22	28
TOTAL	91	(3)	88	108

(1) "Loans receivable" mainly comprises interest-free 20-year loans granted in connection with the French legal obligation for employers to invest in construction, which are recognized at net present value as of the inception date of the loan.

(2) Amount receivable from the City of Portsmouth (UK) in consideration of services provided under the 25-year public-private partnership deal signed in 2004 to upgrade and maintain the urban road network, expiring in 2029. This receivable is measured using the financial asset model in accordance with IFRIC 12.

3.2.6.3 Analysis of non-current financial assets by accounting category

	Financial assets at fair value through OCI	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Loans and receivables at amortized cost	Total
12/31/2021		34		108	142
Movements during 2022		(8)		(20)	(28)
12/31/2022		26		88	114

NOTE 4 - CURRENT ASSETS

4.1 - INVENTORIES, CURRENT RECEIVABLES AND PREPAID EXPENSES

	12/31/2022			12/31/2021		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Inventories ⁽¹⁾	948	(80)	868	798	(70)	728
Advances and down-payments made on orders	71		71	46		46
Trade receivables ⁽²⁾	2,848	(120)	2,728	2,603	(115)	2,488
Customer contract assets	923		923	774		774
Current tax assets	47		47	28		28
Amounts due from employees, social security & government	321		321	307		307
Amounts due from related companies (joint ventures, associates, and investments in non-consolidated companies) and sundry receivables	358	(21)	337	324	(21)	303
Pension plan assets	46		46	21		21
Prepaid expenses	80		80	70		70
Other receivables	805	(21)	784	722	(21)	701

(1) Inventories consist of stocks of bitumen, aggregates, raw materials and other supplies.

(2) An analysis of the ageing of trade receivables is provided below.

	Balance	Balance past due by			Total
	Not past due	Less than 6 months	6 months to 1 year	More than 1 year	
Trade receivables (gross)	1,725	763	116	244	2,848
Impairment	(5)	(3)	(9)	(103)	(120)
TRADE RECEIVABLES AT 12/31/2022 (NET)	1,720	760	107	141	2,728
Comparative at 12/31/2021 (net)	1,568	668	104	148	2,488

An analysis of trade receivables more than twelve months past due and not covered by impairment allowances revealed no additional credit risk.

4.2 - CUSTOMER CONTRACT ASSETS

	Movements during 2022				Maturity	
	12/31/2021	Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities	12/31/2022	
						<1 year >1 year
Differences arising from percentage of completion on contracts (unbilled receivables on construction contracts)	774	(7)	(1)	157	923	923
TOTAL CUSTOMER CONTRACT ASSETS	774	(7)	(1)	157	923	923

4.3 - CASH AND CASH EQUIVALENTS

	12/31/2022			12/31/2021		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Cash	464		464	545		545
Cash equivalents	7		7	2		2
TOTAL	471		471	547		547

Surplus cash is invested with high-quality French and foreign banks.

Cash and cash equivalents are measured at fair value, and cash equivalents are readily convertible into cash.

The table below shows an analysis of cash and cash equivalents by currency as of December 31:

	Euro ⁽¹⁾	USD ⁽¹⁾	CAD ⁽¹⁾	GBP ⁽¹⁾	AUD ⁽¹⁾	Other ^{(1) (2)}	Total
Cash	144	6	66	55	14	179	464
Cash equivalents						7	7
TOTAL	144	6	66	55	14	186	471
Comparative at 12/31/2021 (net)	210	73	15	78	23	148	547

(1) Equivalent value in euros.

(2) Other currencies as of December 31, 2022 mainly comprise the Egyptian pound, Philippine peso, Moroccan dirham, Malagasy Ariary and Polish zloty, for a combined amount of €96 million.

4.4 - DEPRECIATION, AMORTIZATION, IMPAIRMENT AND PROVISIONS IN THE BALANCE SHEET

	12/31/2021	Translation adjustments	Changes in scope of consolidation	Charges and reversals through current operating profit				Reversals on disposal & other movements ⁽³⁾	12/31/2022
				Depreciation, amortization & impairment ⁽¹⁾	Other impairment losses & provisions, net	Reversals (provisions not used)	Other impairment losses & other provisions ⁽²⁾		
Property, plant and equipment and intangible assets	(5,603)	(38)	57	(392)				276	(5,700)
Right of use of leased assets	(426)	2	5	(148)				51	(516)
Goodwill	(49)								(49)
Other non-current financial assets	(41)				(4)				(45)
Sub-total: non-current assets	(6,119)	(36)	62	(540)	(4)			327	(6,310)
Inventories	(70)				(14)	4			(80)
Trade receivables	(115)		(7)		(7)	9			(120)
Cash equivalents									0
Other current receivables and prepaid expenses	(21)				3		(3)		(21)
Sub-total: current assets	(206)		(7)		(18)	13	(3)		(221)
TOTAL ASSETS	(6,325)	(36)	55	(540)	(22)	13	(3)	327	(6,531)
Non-current provisions	(845)	3	1		(36)	83		116	(678)
Current provisions	(424)		4		(49)	74		(16)	(411)
TOTAL LIABILITIES	(1,269)	3	5		(85)	157		100	(1,089)
GRAND TOTAL	(7,594)	(33)	60	(540)	(107)	170	(3)	427	(7,620)

(1) Charged against property plant and equipment, intangible assets, and right of use of leased assets.

(2) Recognized in "Other operating income and expenses" or "Other financial income/(expenses), net".

(3) Mainly comprises reductions in accumulated depreciation following disposals or retirements of plant and equipment.

NOTE 5 – CONSOLIDATED SHAREHOLDERS' EQUITY

COMPOSITION OF THE SHARE CAPITAL

The share capital of Colas as of December 31, 2022 was €48,981,748.50.

It consists of 32,654,499 shares with a par value of €1.50, all ranking equally (although registered shares held by the same shareholder for more than two years carry double voting rights).

There have been no changes in share capital since January 1, 2022.

PRINCIPAL SHAREHOLDERS

	Number of shares	% interest
Bouygues SA	31,612,111	96.81%
Other shareholders	1,042,388	3.19%
TOTAL	32,654,499	100%

TREASURY SHARES HELD AS OF DECEMBER 31, 2022

Colas held 12,947 of its own shares at a carrying amount of €1,651,704.49 as of December 31, 2022.

STOCK SUBSCRIPTION OPTIONS OUTSTANDING

None.

TRANSLATION RESERVE

The table below shows the principal translation reserves as of December 31, 2022, as determined for financial statements of subsidiaries and associates expressed in currencies other than the euro:

	12/31/2021	Movements during 2022	12/31/2022
United States	50	29	79
Canada	22	(7)	15
United Kingdom	(9)	(10)	(19)
Slovakia	12	(0)	12
Czech Republic	9	2	11
Australia	(6)	(1)	(7)
Other countries	(18)	1	(17)
TOTAL TRANSLATION RESERVE	60	14	74

NOTE 6 – NON-CURRENT AND CURRENT PROVISIONS

6.1 – NON-CURRENT PROVISIONS

	Employee benefits ^(a)	Litigation and claims ^(b)	Warranties ^(c)	Site remediation	Other non- current provisions ^(d)	Total
12/31/2020 restated ⁽¹⁾	402	193	69	195	53	912
Translation adjustments	8	1		4	1	14
Changes in scope of consolidation	6		2	9		17
Charges to provisions	24	31	23	19	27	124
Reversal of utilized provisions	(22)	(26)	(13)	(28)	(7)	(96)
Reversals of unutilized provisions	(12)	(35)	(6)	(9)	(7)	(69)
Actuarial gains and losses	(52)					(52)
Transfers and other movements	(4)	(7)	3		3	(5)
12/31/2021	350	157	78	190	70	845
Translation adjustments	(1)	0	(2)			(3)
Changes in scope of consolidation	0	(1)	(1)	1		(1)
Charges to provisions	25	25	17	15	17	99
Reversal of utilized provisions	(18)	(11)	(10)	(19)	(5)	(63)
Reversals of unutilized provisions	(15)	(29)	(8)	(8)	(23)	(83)
Actuarial gains and losses	(135)					(135)
Transfers and other movements	21	1	(3)			19
12/31/2022	227	142	71	179	59	678

(1) Non-current provisions as of December 31, 2020 have been restated for the effects of applying the IFRS IC agenda decision on IAS 19.

Analysis of principal provisions:

(a) Employee benefits	227
Lump-sum retirement benefits	155
Long service awards	62
Pensions	10
(b) Litigation and claims	142
Disputes with customers	25
Disputes with social security bodies	65
Disputes with employees	21
Disputes with subcontractors	10
Disputes with tax authorities	6
Disputes with other official bodies	1
Other disputes	14
(c) Warranties	71
10-year construction warranties	42
Provisions for additional building/civil engineering/civil works guarantees	25
Provisions for performance bonds	4
(d) Other non-current provisions	58
Provisions for risks related to non-controlled entities	21
Provisions for miscellaneous foreign risks	2
Other non-current provisions	36

The assumptions used to determine provisions for employee benefits have been updated (see Note 20.3.3.).

The impact of the changes in actuarial assumptions was recorded in recognized income and expense (for lump-sum retirement benefits and pensions), and in profit or loss under “Personnel costs” (for long service awards).

6.2 – CURRENT PROVISIONS

Provisions relating to operations	Provisions for customer warranties	Project risks and project completion ^(a)	Provisions for expected losses to completion ^(a)	Site remediation	Other current provisions ^(b)	Total
12/31/2020	42	85	172	11	87	397
Translation adjustments	1	1	1		4	7
Changes in scope of consolidation				2	4	6
Charges to provisions	14	36	144	13	35	242
Reversal of utilized provisions	(5)	(15)	(82)	(1)	(46)	(149)
Reversals of unutilized provisions	(9)	(18)	(43)		(9)	(79)
Transfers and other movements	(4)	(10)	2	2	10	
12/31/2021	39	79	194	27	85	424
Translation adjustments	(1)	(1)	1		1	0
Changes in scope of consolidation	0	0	(3)		(1)	(4)
Charges to provisions	17	35	132	2	34	220
Reversal of utilized provisions	(5)	(23)	(102)	(8)	(33)	(171)
Reversals of unutilized provisions	(12)	(20)	(36)	(1)	(5)	(74)
Transfers and other movements	5	6	2	2	1	16
12/31/2022	43	76	188	22	82	411

(a) Individual project provisions are not disclosed for confidentiality reasons.

(b) Other current provisions: 82
 Provision for excess in accident claims 34
 Provisions for redundancy costs 6
 Provisions pour restructuring 2
 Other current provisions 41

NOTE 7 – DEFERRED TAX ASSETS AND LIABILITIES

	Deferred tax assets	Deferred tax liabilities	Net deferred tax position
12/31/2020 restated	142	(100)	42
Translation adjustments	3	(8)	(5)
Changes in scope of consolidation	6	(4)	2
Movements recognized in profit or loss	2		2
Other movements	(12)	(1)	(13)
12/31/2021	141	(113)	28
Translation adjustments		(1)	(1)
Changes in scope of consolidation		(5)	(5)
Movements recognized in profit or loss	17	(10)	7
Other movements ⁽¹⁾	(17)	(15)	(32)
12/31/2022	141	(144)	(3)

(1) "Other movements" include deferred taxes recognized in equity with a negative impact of €31 million (mainly on actuarial gains/losses on employee benefits) within the consolidated statement of recognized income and expense.

Deferred tax assets not recognized because recovery is judged not to be probable amounted to €224 million as of December 31, 2022 (€209 million as of December 31, 2021).

The period to recovery of deferred tax assets is in most cases more than two years.

Deferred tax liabilities arise mainly from temporary differences between tax and accounting treatments, including fair value remeasurements and differences in depreciation methods.

PRINCIPAL SOURCES OF DEFERRED TAXATION

	12/31/2022	12/31/2021
Provisions for employee benefits	23	56
Tax losses	33	25
Non-current assets (IFRS 16, fair value adjustments, restricted provisions)	(101)	(83)
Other temporary differences	41	30
NET DEFERRED TAX ASSET/(LIABILITY)	(3)	28

Deferred tax liabilities on non-current assets include €11 million relating to restricted provisions of French subsidiaries included in the Group tax election (2021: €8 million).

NOTE 8 - NON-CURRENT AND CURRENT DEBT

8.1 - INTEREST-BEARING DEBT BY MATURITY

12/31/2022	Maturing after more than 1 year						Total maturing after >1 year 12/31/2022
	Maturing in less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
Bank borrowings	29	44	69	14	25	13	165
Other borrowings	11	3	3	3	7		16
Sub-total	40	47	72	17	32	13	181
Overdrafts and short-term bank borrowings ⁽¹⁾	548						
TOTAL	588	47	72	17	32	13	181

(1) Of which current account with Bouygues group cash pool: €391 million.

12/31/2021	Maturing after more than 1 year						Total maturing after >1 year 12/31/2021
	Maturing in less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
Bank borrowings	22	70	14	31	12	22	149
Other borrowings	7	2	2	2	2	11	19
Sub-total	29	72	16	33	14	33	168
Overdrafts and short-term bank borrowings ⁽¹⁾	383						
TOTAL	412	72	16	33	14	33	168

(1) Of which current account with Bouygues group cash pool: €234 million.

8.2 - CONFIRMED CREDIT FACILITIES AND DRAWDOWNS

As of December 31, 2021, confirmed facilities amounted to €2,629 million, of which €197 million was drawn down. As of December 31, 2022, confirmed credit facilities and drawdowns were as follows:

	Confirmed facilities - Maturity				Drawdowns - Maturity			
	Less than 1 year	1 to 5 years	More than 5 years	Total	Less than 1 year	1 to 5 years	More than 5 years	Total
Credit facilities	40	2,239	313	2,592	40	168	13	221

Undrawn confirmed credit facilities amounted to €2,371 million as of December 31, 2022.

8.3 - LIQUIDITY AT DECEMBER 31, 2022

As of December 31, 2022, the Group had negative net available cash of €77 million. This was more than offset by €2,371 million of undrawn confirmed medium-term credit facilities (maturing after more than one year) as of that date, versus €2,294 million as of December 31, 2021.

The confirmed bank credit facilities contracted by companies under the control of Colas are not subject to any material contractual clauses liable to make them due on demand or before maturity.

8.4 - SPLIT OF CURRENT AND NON-CURRENT DEBT BY INTEREST RATE TYPE

Fixed-rate debt represented 50% of the total amount of current and non-current debt (including the effect of all open interest rate hedges at the end of the reporting period, and excluding overdrafts and short-term bank loans), compared with 51% at the end of 2021.

The table below gives a maturity analysis of floating-rate debt not hedged by interest rate swaps:

	Maturity						Total
	Less than 1 year ⁽¹⁾	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
	2023	2024	2025	2026	2027	2028 and later	
Floating-rate debt	40	15	30	4	18	4	111

(1) Fixed-rate debt maturing within less than one year is treated as though it were floating-rate.

8.5 - INTEREST RATE RISK

The split of financial assets and financial liabilities by type of interest as of December 31, 2022 is shown below:

	Floating rate	Fixed-rate	Total
Cash and cash equivalents	471		471
Borrowings ^{(1) (2)}	(194)	(20)	(215)
Bank overdrafts and short-term bank loans	(547)		(547)
Net pre-hedging position	(271)	(20)	(291)
Interest rate hedges ⁽²⁾	232	(232)	
Net post-hedging position	(39)	(252)	(291)
Adjustment for seasonal nature of operations ⁽³⁾	(679)		(679)
NET POST-HEIDING POSITION AFTER ADJUSTMENT	(718)	(252)	(970)

(1) Includes the fair value of interest rate swaps recognized in the balance sheet within "Financial instruments - Hedging of debt" (net amount: €6 million).

(2) The portion maturing within less than one year of fixed-rate debt, and of floating rate debt hedged by swaps, is treated as though it were floating-rate.

(3) Operations, and cash flows from operations, are subject to marked seasonal fluctuations. This adjustment gives an approximation of the average cash position over the full year, which is used as the basis for analyzing the sensitivity of interest expense to changes in interest rates. It corresponds to the difference between average net debt over the full year (calculated on the basis of average monthly debt positions) and the net position in the balance sheet at December 31.

The effect of an immediate 1% rise in short-term interest rates on the net post-hedging position as presented above would be to increase the cost of net debt by €7 million.

8.6 - SPLIT OF CURRENT AND NON-CURRENT DEBT BY CURRENCY

	Euro	USD ⁽¹⁾	CAD ⁽¹⁾	GBP ⁽¹⁾	AUD ⁽¹⁾	Other ⁽¹⁾	Total
Debt at December 31, 2022							
Non-current	28	30		47	22	54	181
Current	229	32	189	18	43	77	588
Debt at December 31, 2021							
Non-current	28	15		55	29	41	168
Current	174	5	132	13	41	47	412

(1) Equivalent value in euros.

NOTE 9 – MAIN COMPONENTS OF CHANGE IN NET DEBT

9.1 – CHANGE IN NET DEBT

	12/31/2021	Translation adjust- ments	Changes in scope of conso- lidation	Cash flows	Fair value adjust- ments	Other move- ments	12/31/2022
Cash and cash equivalents	547	(14)	4	(66)			471
Overdrafts and short-term bank borrowings	(383)	2		(168)		1	(548)
NET CASH POSITION (A)	164	(12)⁽¹⁾	4⁽¹⁾	(234)⁽¹⁾	0	1	(77)
Non-current debt	168	0	2	17 ⁽²⁾		(6)	181
Current debt	29	(1)	1	6 ⁽²⁾		5	40
Financial instruments, net					(6)		(6)
Total DEBT (B)	197	(1)	3	23	(6)	(1)	215
NET SURPLUS CASH/(NET DEBT) (A) – (B)	(33)	(11)	1	(257)	6	2	(292)

(1) Reduction of €242 million in net cash position as shown in the consolidated cash flow statement.

(2) Net cash provided by financing activities of €23 million as shown in the consolidated statement of cash flows, comprising an inflow of €1,350 million and an outflow of €1,327 million.

9.2 – PRINCIPAL CHANGES IN NET DEBT DURING 2022

	12/31/2022	12/31/2021
Net surplus cash/(net debt) at start of period	(33)	(7)
Net cash generated by/(used in) operating activities	431	599
Net cash generated by/(used in) investing activities	(240)	(378)
Interest expense on debt and lease obligations	(66)	(37)
Dividends paid	(228)	(96)
Adjustment for repayments of lease obligations	(151)	(110)
Other (exchange rate fluctuations, changes in scope of consolidation, etc.)	(5)	(4)
NET SURPLUS CASH/(NET DEBT) AT END OF PERIOD	(292)	(33)

NOTE 10 – NON-CURRENT LEASE AND CURRENT LEASE OBLIGATIONS

10.1 – MATURITY ANALYSIS OF LEASE OBLIGATIONS

	Current lease obligations	Non-current lease obligations						Total maturing after >1 year
	Maturing in less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 years and over	
12/31/2022	143	135	113	90	69	47	83	537
12/31/2021	129	106	91	74	55	40	61	427

10.2 – MOVEMENT IN LEASE OBLIGATIONS

	12/31/2021	Translation adjust- ments	Changes in scope of consolidation	Cash flows	New leases, lease modifications, and other lease-related movements	12/31/2022
Non-current lease obligations	427	(1)	(27)		138	537
Current lease obligations	129	(1)	25	(151)	141	143
TOTAL LEASE OBLIGATIONS	556	(2)	(2)	(151)	279	680

NOTE 11 – CURRENT LIABILITIES

11.1 – CURRENT LIABILITIES

	12/31/2022	12/31/2021
Current debt ⁽¹⁾	40	29
Current lease obligations	143	129
Current tax liabilities	117	108
Trade payables	2,268	2,153
Customer contract liabilities ⁽²⁾	1,032	841
Current provisions ⁽³⁾	411	424
Other current liabilities, accruals/deferred income and similar:	1,459	1,403
<i>amounts due to employees, social security and government</i>	1,019	968
<i>other non-financial liabilities</i>	440	435
Overdrafts and short-term bank borrowings	548	383
Financial instruments – Hedging of debt	2	9
Other current financial liabilities	5	1
TOTAL	6,025	5,480

(1) See analysis in Note 8.

(2) See analysis below.

(3) See analysis in Note 6.2.

11.2 – CUSTOMER CONTRACT LIABILITIES

	12/31/2021	Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities	12/31/2022
Advances and down-payments received on orders	336	(15)		146	467
Differences relating to percentage of completion on contracts ⁽¹⁾	505	3	(23)	80	565
TOTAL CUSTOMER CONTRACT LIABILITIES	841	(12)	(23)	226	1,032

(1) Primarily deferred income on construction contracts.

NOTE 12 – SALES AND ORDER BACKLOG

12.1 – ANALYSIS BY TYPE OF REVENUE

	2022	2021
Sales of goods	3,244	2,606
Sales of services	630	234
Construction contracts	11,655	10,386
SALES	15,529	13,226

The amount of revenue recognized on works completed in the previous period is immaterial.

12.2 – ORDER BACKLOG

The order backlog represents the amount of work still to be done on projects for which a firm order has been taken, i.e., the contract has been signed and has taken effect (after notice to proceed has been issued and suspensive conditions lifted).

The order backlog stood at €11,718 million as of December 31, 2022.

	12/31/2021	Translation adjustments	Changes in scope of consolidation	Other movements arising from operating activities	12/31/2022
ORDER BACKLOG	10,726	264	(27)	755	11,718
maturing within less than 1 year	6,356				6,877
maturing within 1 to 5 years	3,411				4,015
maturing after more than 5 years	959				825

NOTE 13 - OPERATING PROFIT/(LOSS)

See Note 17 for an analysis of current operating profit/loss and operating profit/loss by operating segment.

Current operating profit for 2022 includes lease expense of approximately €801 million on leases exempt from IFRS 16. Most of that amount relates to short-term leases, or leases of assets with a low as-new value.

13.1 - ANALYSIS OF OTHER INCOME AND EXPENSES FROM OPERATIONS

	2022	2021
Profits transferred from/losses transferred to joint operations	50	46
Proceeds from asset disposals	241	148
Reversals of unutilized provisions and impairment	170	164
Other operating income ⁽¹⁾	454	463
OTHER INCOME FROM OPERATIONS	915	821
Profits transferred to/losses transferred from joint operations	(26)	(29)
Carrying amount of divested assets	(59)	(69)
Other operating expenses	(154)	(114)
OTHER EXPENSES ON OPERATIONS	(239)	(212)

(1) Mainly expenses recharged to partners in sociétés en participation and economic interest groupings.

13.2 - ANALYSIS OF OTHER OPERATING INCOME AND EXPENSES

	2022	2021
Current operating profit/(loss)	460	440
Other operating income		
Other operating expenses		(10)
OPERATING PROFIT/(LOSS)	460	430

For 2021, mainly comprises incidental expenses associated with the Destia acquisition, and additional dismantling costs at the Dunkerque site.

NOTE 14 – COST OF NET DEBT AND OTHER FINANCIAL INCOME AND EXPENSES

14.1 – ANALYSIS OF COST OF NET DEBT

	2022	2021
Interest income relating to the net cash position	11	9
Income from short-term investments	1	
Financial income	12	9
Interest expense relating to the net cash position	(21)	(12)
Interest expense on debt	(38)	(19)
Financial expenses	(59)	(31)
Cost of net debt	(47)	(22)

14.2 – OTHER FINANCIAL INCOME AND EXPENSES

	2022	2021
Dividends received from non-consolidated companies	2	1
Reversals of financial provisions		6
Proceeds from disposals of financial assets	2	1
Other income	8	4
Other financial income	12	12
Charges to financial provisions	(3)	(2)
Carrying amount of divested financial assets	(4)	(1)
Other expenses	(6)	(13)
Other financial expenses	(13)	(16)
OTHER FINANCIAL INCOME/(EXPENSES), NET	(1)	(4)

NOTE 15 – INCOME TAXES

15.1 – ANALYSIS OF INCOME TAX EXPENSE

	2022	2021
Current taxes	(127)	(137)
Deferred taxes	7	2
Back tax, tax relief, and other taxes not related to profit or loss	(16)	(6)
Taxes on dividends	(6)	(7)
INCOME TAX EXPENSE, NET	(142)	(148)

15.2 – TAX PROOF (RECONCILIATION BETWEEN THEORETICAL AND ACTUAL INCOME TAX EXPENSE)

The table below shows the reconciling items between (i) theoretical income tax expense determined using the standard rate applicable to the parent company, Colas SA (25.83% in 2022, 28.41% in 2021) and actual income tax expense for the period:

	2022	2021
Net profit (100%)	300	263
Eliminations:		
Income tax	142	148
Share of net profits/(losses) of joint ventures and associates	(49)	(22)
Net pre-tax profit from continuing operations	393	389
Standard French tax rate for the year	25.8%	28.4%
Effect of permanent differences	(0.2%)	3.7%
Unrecognized deferred tax assets	7.8%	8.6%
Flat-rate taxes, taxes on dividends and tax credits	5.7%	3.2%
Differential tax rates and foreign taxes	(2.9%)	(6.0%)
EFFECTIVE TAX RATE	36.2%	37.9%

NOTE 16 – BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is obtained by dividing net profit attributable to the Group for the period by the weighted average number of shares outstanding during the period, excluding own shares held.

	2022	2021
Net profit attributable to the Group (in euros)	301,094,599	261,305,686
BASIC EARNINGS PER SHARE (in euros)	€9.22	€8.01
DILUTED EARNINGS PER SHARE (in euros)	€9.22	€8.01

	2022	2021
Total dividend payout (€ million)		
Interim dividend	-	-
Final dividend	240	224
TOTAL NET DIVIDEND	240	224

	2022	2021
Dividend per share (in euros)		
Interim dividend	-	-
Final dividend	€7.35	€6.85
TOTAL NET DIVIDEND PER SHARE	€7.35	€6.85

The total dividend to be paid in respect of the 2022 financial year will be submitted for approval at the Annual General Meeting of the Shareholders on April 25, 2023.

NOTE 17 – SEGMENT INFORMATION AND OTHER FINANCIAL INDICATORS

IFRS 8, “Operating Segments”, requires operating segments to be identified on the basis of internal reports that are reviewed by the entity’s chief operating decision maker in order to allocate resources to the segment and assess its performance.

Determination of operating segments

Effective January 1, 2022, the Colas Group’s operating segments were redefined as follows:

- **Roads France/Overseas France-IO:** consists of the Roads business and Road Safety & Signaling activities in France, the French overseas departments and the Indian Ocean;
- **Roads EMEA (Europe-Middle East-Africa):** consists of the Roads business in Europe (excluding France), the Middle East, Africa, and Latin America;
- **Roads United States:** consists of the Roads business in the United States;
- **Roads Canada:** consists of the Roads business in Canada;
- **Roads Asia-Pacific:** consists of the Roads business in Asia and Oceania;
- **Railways and Other Activities:** consists of the Group’s Railways and Water & Energy Transport activities in France and internationally;
- **Corporate:** consists of activities carried out at Colas corporate headquarters.

Operating segment information is compiled using the same accounting policies as are used in the preparation of the consolidated financial statements, as described in the notes to the financial statements.

Analysis of sales by type of contract

	Roads	Railways & Other Activities	Total
Public sector customers	54%	75%	56%
Private sector customers and individuals	46%	25%	44%

No customer individually represents more than 10% of sales.

17.1 - SEGMENTAL ANALYSIS

Income statement by operating segment

	Roads France- OD/IO	Roads EMEA	Roads United States	Roads Canada	Roads Asia- Pacific	Railways & Other Activities	Corpo- rate	Group total restated
FY 2021								
SALES	5,688	2,267	1,687	1,937	339	1,302	6	13,226
CURRENT OPERATING PROFIT FROM ACTIVITIES	240	10	50	114	(1)	12	22	447
Amortization and impairment on intangible assets recognized in purchase price allocations				(7)				(7)
CURRENT OPERATING PROFIT/(LOSS)	240	10	50	107	(1)	12	22	440
Other operating income/(expenses), net	1						(11)	(10)
OPERATING PROFIT/(LOSS)	241	10	50	107	(1)	12	11	430
Cost of net debt	(1)	(5)	(3)	(8)	(1)	(4)		(22)
Interest expense on lease obligations	(5)	(1)	(3)	(2)	(1)	(2)	(1)	(15)
Other financial income/(expenses), net	(2)	2				(2)	(2)	(4)
Income tax	(70)	(18)	(10)	(32)		(5)	(13)	(148)
Share of net profits/(losses) of joint ventures and associates	9	(3)		(14)	30			22
NET PROFIT/(LOSS)	172	(15)	34	51	27	(1)	(5)	263
FY 2022								
SALES	5,939	3,245	2,210	2,347	434	1,346	8	15,529
CURRENT OPERATING PROFIT FROM ACTIVITIES	244	6	1	99	25	24	69	468
Amortization and impairment on intangible assets recognized in purchase price allocations		(1)		(7)				(8)
CURRENT OPERATING PROFIT/(LOSS)	244	5	1	92	25	24	69	460
Other operating income/(expenses), net								0
OPERATING PROFIT/(LOSS)	244	5	1	92	25	24	69	460
Cost of net debt	1	(14)	(7)	(15)	(3)	(4)	(5)	(47)
Interest expense on lease obligations	(6)	(3)	(3)	(3)	(1)	(2)	(1)	(19)
Other financial income/(expenses), net		(1)						(1)
Income tax	(63)	(22)	1	(33)	(7)	(7)	(11)	(142)
Share of net profits/(losses) of joint ventures and associates	10	3	1	10	28	(1)	(2)	49
NET PROFIT/(LOSS)	186	(32)	(7)	51	42	10	50	300

Segmental assets and liabilities

	Roads France-OD/ IO	Roads EMEA	Roads United States	Roads Canada	Roads Asia- Pacific	Railways & Other Activities	Corpo- rate	Group total restated
December 31, 2021								
Non-current assets	1,160	940	530	904	337	548	268	4,687
Current assets	2,048	1,346	395	590	121	678	146	5,324
Held-for-sale assets and operations	0	0	0	0	0	0	0	0
Total assets	3,208	2,286	925	1,494	458	1,226	414	10,011
Non-current liabilities	578	275	105	167	55	245	128	1,553
Current liabilities	1,799	1,305	310	585	121	601	759	5,480
Liabilities related to held-for-sale operations	0	0	0	0	0	0	0	0
Total liabilities	2,377	1,580	415	752	176	846	887	7,033
NET ASSETS	831	706	510	742	282	380	(473)	2,978
ACQUISITIONS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS, NET OF DISPOSALS								
	(93)	(56)	(41)	(50)	(13)	(7)	26	(234)
December 31, 2022								
Non-current assets	1,188	936	549	929	382	557	261	4,802
Current assets	2,170	1,633	395	733	152	846	96	6,025
Held-for-sale assets and operations	0	0	92	0	0	0	0	92
Total assets	3,358	2,569	1,036	1,662	534	1,403	357	10,919
Non-current liabilities	583	312	113	187	68	156	121	1,540
Current liabilities	1,908	1,527	369	748	159	802	630	6,143
Liabilities related to held-for-sale operations	0	0	44	0	0	0	0	44
Total liabilities	2,491	1,839	526	935	227	958	751	7,727
NET ASSETS	867	730	510	727	307	445	(394)	3,192
ACQUISITIONS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS, NET OF DISPOSALS								
	(89)	(40)	(49)	(58)	15	(20)	63	(178)

17.2 - SALES BY GEOGRAPHICAL AREA

	France	Rest of Europe	North America	Rest of the World	Group total
FY 2021					
Roads	5,504	1,935	3,623	856	11,918
Railways & Other Activities	542	641	24	95	1,302
Corporate	5			1	6
TOTAL	6,051	2,576	3,647	952	13,226
FY 2022					
Roads	5,734	2,817	4,556	1,068	14,175
Railways & Other Activities	501	668	37	139	1,346
Corporate	6	0	0	2	8
TOTAL	6,241	3,486	4,593	1,210	15,529

17.3 – Other indicators

	2022	2021
Current operating profit/(loss)	460	440
Interest expense on lease obligations	(19)	(15)
Adjusted current operating profit/(loss)	441	425
Elimination of net depreciation and amortization expense and net charges to provisions and impairment losses		
– Net depreciation and amortization expense on property, plant and equipment and intangible assets	392	398
– Net charges to provisions & impairment losses	121	169
Elimination of items included in other income from operations		
– Reversals of unutilized provisions and impairment & other items	(170)	(164)
EBITDA AFTER LEASES	784	828

	2022	2021
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (i)	616	702
Acquisitions of property, plant & equipment and intangible assets, net of disposals (ii)	(178)	(234)
Repayment of lease obligations (iii)	(151)	(110)
FREE CASH FLOW (IV) = (I) + (II) + (III)	287	358

NOTE 18 – FINANCIAL INSTRUMENTS

The tables below show aggregate notional amounts as of December 31, 2022 for each category of hedging instrument used, split by final maturity (for interest rate hedges) and by currency (for currency hedges).

All open derivative positions were contracted for hedging purposes.

18.1 – HEDGES OF INTEREST RATE RISK

	Maturity			Total 12/31/2022	Total 12/31/2021
	Less than 1 year	1 to 5 years	More than 5 years		
Interest rate swaps					
On financial assets	-	-	-	-	-
On financial liabilities	23	231	94	348	142

	Maturity			Total 12/31/2022	Total 12/31/2021
	Less than 1 year	1 to 5 years	More than 5 years		
Interest rate options					
On financial assets	-	-	-	-	-
On financial liabilities	-	-	-	-	-

To ensure that the City of Portsmouth (UK) can pay a fixed monthly fee under the 25-year urban road network upgrade and maintenance contract, Colas has contracted an interest rate swap maturing in January 2028.

This swap (receive floating rate, pay fixed rate) has a nominal amount perfectly aligned on the drawdown and repayment profile of the non-recourse loan financing the contract, such that the fixed cost of the loan is matched with the monthly fee received. As of December 31, 2022, the swap had a notional amount of €33.65 million (£29.85 million).

Part of the interest rate hedging contracted by the Colas Group is in the form of cyclical swaps (pay fixed rate), which are used to hedge the seasonal profile of the Group's debt. The average amount of the swaps over the life of the instruments is €224 million (notional amount: €200 million as of December 31, 2022), and they expire on October 1, 2024.

18.2 – HEDGES OF FOREIGN EXCHANGE RISK

	Equivalent value in € million				12/31/2022	12/31/2021
	HUF	GBP	USD	Other		
Forward purchases	50	96	113	57	316	336
Forward sales	2	37	13	39	91	87

18.3 – HEDGES OF COMMODITIES RISK

	12/31/2022	12/31/2021
Forward purchases	7	3
Forward sales	0	0

18.4 – OTHER HEDGES

	12/31/2022	12/31/2021
Cross-currency swap	22	18

A cross-currency swap was contracted in 2020 to hedge foreign exchange and interest rate risk on the debt carried in the books of Colvias Chile.

18.5 – MARKET VALUE OF HEDGING INSTRUMENTS

The hedging portfolio was valued by an independent valuer using standard market practice.

As of December 31, 2022, the hedging instruments portfolio had a positive market value (net present value) of €7 million, including accrued interest. This mainly reflects the net present value of interest rate swaps that partially hedge the Group's debt, and comprises a negative value of €3 million for fair value hedges and a positive value of €9 million for cash flow hedges. Other instruments (hedges of a net investment in a foreign operation, or not part of a hedging relationship) had a positive market value of €1 million at the end of the reporting period.

The negative market value of the interest rate swap contracted for the City of Portsmouth contract (€1 million, including accrued interest) is entirely offset by the €1 million positive market value of the derivative embedded in the fixed contractual fee paid by the customer.

Consequently, after taking account of the derivative embedded in the fixed contractual fee paid by the City of Portsmouth, the financial instruments portfolio has a positive market value of €8 million (including accrued interest), presented in the balance sheet as follows:

	2022	2021
Financial instruments - Hedging of debt	8	9
Other current financial assets	7	3
Total financial instruments recognized as assets (a)	15	12
Financial instruments - Hedging of debt	2	9
Other current financial liabilities	5	1
Total financial instruments recognized as liabilities (b)	7	10
NET VALUE OF FINANCIAL INSTRUMENTS (A) - (B)	8	2

In the event of a +1% movement in the yield curve, the positive market value of the financial instruments portfolio (including accrued interest) would increase from €7 million to €13 million; in the event of a -1% movement, it would fall to €3 million.

In the event of a uniform 1% adverse movement in the exchange rate of the euro against all the other currencies, the positive market value of the financial instruments portfolio would increase from €7 million to €9 million (including accrued interest).

In the event of a uniform 1% adverse movement in commodity prices, the positive market value of the financial instruments portfolio would remain at €7 million (including accrued interest).

NOTE 19 – OFF BALANCE SHEET COMMITMENTS

This note supplements the disclosures provided in Notes 3, 4 and 8.

No material off balance sheet commitments have been omitted from this disclosure, in accordance with applicable accounting standards.

Guarantee commitments and other contractual commitments

Maturity	Less than 1 year	1 to 5 years	More than 5 years	Total 12/31/2022	Total 12/31/2021
Commitments given					
Guarantees and endorsements	255	41	2	298	296
Miscellaneous contractual commitments ⁽¹⁾ ⁽²⁾	111	39	81	231	245
Commitments received					
Contractual obligations				-	-
Collateral given					
Mortgages and pledges	11	35	11	57	61

(1) In 2020, Colas subsidiary Continental Bitumen Ltd. placed an order for the construction of two bitumen tankers. The investment commitment carried by its subsidiaries as of December 31, 2022 was approximately \$49 million (€46 million), excluding ancillary costs. In the second quarter of 2021, Colas subsidiary McAsphalt Marine Transportation Ltd placed an order for the construction of a bitumen tanker ship. That represented an investment commitment of approximately \$28 million USD (€26 million) as of December 31, 2022.

(2) As of December 31, 2022, committed orders placed for plant and equipment amounted to €32 million (versus €36 million as of December 31, 2021).

In addition, Colas SA issued guarantees during 2022 pursuant to section 357 of the Irish Companies Act 2014, to cover commitments entered into by its subsidiaries Colas Teoranta, VIAE Ltd, Colas Bitumen Emulsion (East), Continental Bitumen Emulsion (West), Chemoran Ltd, Colas Contracting Ltd, Atlantic Bitumen Company Ltd, Street Sweep Ltd, Siac Bituminous Products Limited and Continental Bitumen Ltd.

NOTE 20 – EMPLOYEE BENEFIT OBLIGATIONS

20.1 – AVERAGE HEADCOUNT

The Group had an average headcount of 60,823 in 2022, compared with 58,219 in 2021.

20.2 – EMPLOYEE BENEFIT OBLIGATIONS

	12/31/2021	Movements during 2022	12/31/2022
Lump-sum retirement benefits	184	(29)	155
Long service awards and other benefits	77	(15)	62
Other post-employment benefits (pensions, net of plan assets) ⁽¹⁾	68	(104)	(36)
TOTAL	329	(148)	181

(1) As of December 31, 2022, the fair value of plan assets exceeded the present value of the obligation by €36 million (see Note 20.3.2).

20.3 – EMPLOYEE BENEFIT OBLIGATIONS AND POST-EMPLOYMENT BENEFIT OBLIGATIONS

20.3.1 – Defined-contribution plans

	2022	2021
Amount recognized as an expense	1,025	929

Defined-contribution plan expense consists of contributions to:

- health insurance funds;
- pension funds (compulsory and supplementary schemes);
- unemployment insurance funds.

20.3.2 – Defined-benefit plans

Obligations in respect of lump-sum retirement benefits and pension plans as of December 31, 2022 break down as follows:

	Lump-sum retirement benefits		Pensions	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Present value of obligation	155	184	518	726
Fair value of plan assets (dedicated funds)			(562)	(669)
Asset ceiling			8	11
NET (ASSET)/LIABILITY RECOGNIZED	155	184	(36)	68
of which: deficit recognized as a provision			10	89
of which: overfunded plans recognized as an asset			(46)	(21)
Ratio of plan assets to present value of obligation			108%	92%

The fair value of plan assets by investment category is as follows:

	12/31/2022		12/31/2021	
	€ million	%	€ million	%
Equity instruments	171	30%	255	38%
Debt instruments	279	50%	239	36%
Property	51	9%	91	14%
Investment funds	26	5%	60	9%
Cash	14	2%	10	1%
Other items	21	4%	14	2%
TOTAL	562	100%	669	100%

	Lump-sum retirement benefits		Pensions	
	2022	2021	2022	2021
Start of period (January 1)	184	191	68	114
Current and past service cost	6	(1)	3	(2)
Net interest cost	2	2	(5)	1
Total expense recognized	8	1	(2)	(1)
Translation adjustments			1	6
Changes in scope of consolidation				6
Actuarial (gains)/losses recognized in equity ⁽¹⁾	(37)	(8)	(102)	(56)
Transfers between accounts & other			(1)	(1)
END OF PERIOD (DECEMBER 31)	155	184	(36)	68

(1) Corresponds to the €139 million of total actuarial gains on post-employment benefits reported in the statement of recognized income and expense for the year ended December 31, 2022. Of the €102 million actuarial gains on pensions in 2022, €98 million relate to provisions and €4 million to assets recognized on overfunded plans.

Actuarial gains and losses recognized in equity break down as follows:

	Lump-sum retirement benefits		Pensions	
	2022	2021	2022	2021
Effect of changes in demographic assumptions				(7)
Effect of changes in financial assumptions	(37)	(8)	(220)	15
Effect of experience adjustments			30	(21)
Return on plan assets (excluding financial income)			91	(51)
Effect of asset ceiling			(3)	8
TOTAL	(37)	(8)	(102)	(56)

The amount of contributions to be paid to pension funds in 2023 is estimated at €13 million.

20.3.3 – Main actuarial assumptions used for lump-sum retirement benefits, pensions and long service awards

	2022	2021
Discount rate for lump-sum retirement benefits and long service awards: IBoxx € Corporate A10	3.563%	1.013%
Discount rate for pensions	1.95% to 5.20%	0.20% to 3.10%
Lump-sum retirement benefits and long service awards: Salary inflation rate ⁽¹⁾	2.50%	2.00%
Pensions: Salary inflation rate ⁽¹⁾	1.00% to 4.00%	0.50% to 4.00%
Life table – women	INSEE 2012-2014 Women	INSEE 2012-2014 Women
Life table – men	INSEE 2012-2014 Men	INSEE 2012-2014 Men
Age on retirement: managerial grades	65	65
Age on retirement: technical, supervisory & clerical staff, and site workers	63	63

(1) Includes the general inflation rate.

The sensitivity of provisions for lump-sum retirement benefits and pensions to changes in discount rates is presented below:

Lump-sum retirement benefits (France)	Impact of a 70 bp movement	
	decrease (€m)	increase (€m)
12/31/2022	+12	(11)

Pensions (Other countries)	Impact of a 50 bp movement	
	decrease (€m)	increase (€m)
12/31/2022	+43	(41)

A rise of 50 basis points in the salary inflation rate for employees in France would require an increase of €9 million in the provision.

Any such impacts would be recognized in the statement of recognized income and expense.

20.3.4 – Share-based payment

In 2022, options to subscribe for new Bouygues shares were awarded by Bouygues to certain employees of Colas and its subsidiaries.

NOTE 21 – DISCLOSURES ON RELATED PARTIES AND REMUNERATION OF DIRECTORS AND SENIOR EXECUTIVES

IDENTITY OF RELATED PARTIES

Parties with an ownership interest: Bouygues and its subsidiaries, equity investees and associates.

Joint operations: *Sociétés en participation* (construction project entities).

Joint ventures: Carrières Roy, Ibys, and various immaterial joint ventures.

Associates: Tipco Asphalt, Mak Mecsek and various immaterial associates.

Other related parties: Various non-consolidated companies owned by the Group.

ANALYSIS OF TRANSACTIONS WITH RELATED PARTIES

	Expenses		Income		Receivables		Liabilities	
	2022	2021	2022	2021	2022	2021	2022	2021
Parties with an ownership interest ⁽¹⁾	60	65	81	49	51	43	409	254
Joint operations	22	18	100	106	72	66	32	24
Joint ventures and associates	19	33	97	85	28	29	10	12
Other related parties	121	74	90	67	50	39	22	23
TOTAL	222	190	368	307	201	177	473	313
Due within less than 1 year							473	313
Due within 1 to 5 years							-	-
Due after more than 5 years							-	-

Remuneration and benefits awarded to directors and senior executives

The senior executives covered by this disclosure are the members of the Strategic Committee.

As of December 31, 2022, the Strategic Committee had five members: the Chairman & CEO, and four salaried executives.

Direct remuneration

The total amount of direct remuneration paid to the Strategic Committee in 2022 was €4.5 million (versus €6 million in 2021), of which €1.5 million was variable.

Post-employment benefits

The Chairman & CEO is entitled to benefits under a vested-rights top-up pension scheme governed by Article L. 137-11-2 of the French Social Security Code, management of which is contracted out to an insurance company.

At December 31, 2022, a provision of €353,781 euros was made for the payment to the insurance company in 2023 in respect of the year 2022.

Other senior executives

The other members of the Strategic Committee benefit from a defined-contribution pension scheme (employer contribution = 5.6% of the executive's total remuneration, in a range of 3x to 12x the annual social security ceiling).

In addition, the net decrease in the provision for lump-sum retirement benefits for these employees for the year 2022 was €93,121 euro.

Share-based payment

Senior executives were awarded a total of 103,000 Bouygues stock options in 2022.

Directors' remuneration (formerly known as "directors' fees")

The gross amount of remuneration paid to directors by Colas and Colas Group companies during 2022 was €230,900 (versus €241,840 in 2021).

NOTE 22 - ADDITIONAL CASH FLOW STATEMENT INFORMATION

22.1 - DETERMINATION OF CHANGES IN WORKING CAPITAL REQUIREMENTS RELATED TO OPERATING ACTIVITIES

Changes in working capital requirements include movements in current provisions recognized in the balance sheet.

	2022	2021
Assets		
Inventories	(158)	(91)
Advances and down-payments made on orders	(28)	(4)
Trade receivables/Customer contract assets	(419)	(225)
Other current receivables and current financial assets	(21)	37
Sub-total: Assets ⁽¹⁾	(626)	(283)
Liabilities		
Trade payables/Customer contract liabilities	154	167
Current provisions	(23)	14
Other current liabilities and current financial liabilities	244	(38)
Sub-total: Liabilities ⁽²⁾	375	143
CHANGES IN WORKING CAPITAL REQUIREMENTS RELATED TO OPERATING ACTIVITIES	(251)	(140)

(1) (Increase)/Decrease in working capital requirements related to operating activities.

(2) Increase/(Decrease) in working capital requirements related to operating activities.

22.2 – NET CASH FLOWS RESULTING FROM ACQUISITIONS AND DIVESTMENTS OF SUBSIDIARIES OR OPERATIONS

The main acquisitions during 2022 were those of the Hasselmann group (Germany), the US-based subsidiary Kehn (USA), and the Australian subsidiary Hutchison Quarries, acquired for a combined purchase price of €114 million.

The main divestment in the year was Colas Rail Belgium, sold for €26 million.

	2022	2021
Non-current assets	(122)	(306)
Current assets	22	(145)
Non-current liabilities	16	32
Current liabilities	(11)	153
Cash	(4)	24
PURCHASE PRICE OF CONSOLIDATED ACTIVITIES NET OF PROCEEDS FROM DIVESTMENTS	(99)	(242)
Cash of acquired or divested companies	4	28
Net liabilities related to consolidated activities	4	4
NET CASH INFLOW/(OUTFLOW) FROM ACQUISITIONS AND DIVESTMENTS OF SUBSIDIARIES	(91)	32

NOTE 23 – AUDITORS' FEES

The table below shows fees paid to the auditors (and member firms of their networks) responsible for the audit of the consolidated financial statements of the Colas Group (parent company and subsidiaries).

	Mazars		PwC	
	2022	2021	2022	2021
A – Audit				
Colas SA	0.2	0.2	0.2	0.2
Subsidiaries	4.4	4.0	3.6	2.9
Sub-total	4.6	4.2	3.8	3.1
B – Non-audit services ⁽¹⁾	0.1			0.1
TOTAL	4.7	4.2	3.8	3.2

(1) Non-audit services: primarily tax engagements for various international subsidiaries.

NOTE 24 - LIST OF PRINCIPAL CONSOLIDATED COMPANIES

Unless indicated as being accounted for by the equity method, all the companies listed are consolidated as subsidiaries.

Company	Registered office	% interest	
		2022	2021
France			
Mainland France			
Colas France	Paris (75)	100.0	100.0
Aximum	Magny-les-Hameaux (78)	100.0	100.0
Spac	Nanterre (92)	100.0	100.0
Colas Rail	Courbevoie (92)	100.0	100.0
Société de la Raffinerie de Dunkerque	Dunkerque (59)	100.0	100.0
Colas Digital Solutions	Vélizy-Villacoublay (78)	100.0	100.0
French overseas departments			
Grands Travaux Océan Indien GTOI	Le Port – Réunion Island	100.0	100.0
Société de Concassage et Préfabrication de La Réunion SCPR	Le Port – Réunion Island	100.0	100.0
Colas Mayotte	Mamoudzou – Mayotte	100.0	100.0
Colas Martinique	Le Lamentin – Martinique	100.0	100.0
Sogetra	Les Abymes – Guadeloupe	100.0	100.0
Ribal Travaux Publics	Cayenne – Guyana	100.0	100.0
French overseas territories			
Société Colas de Nouvelle-Calédonie	Nouméa – New Caledonia	100.0	100.0
Europe (excluding France)			
Colas Belgium	Brussels – Belgium	100.0	100.0
Colas Danmark A/S	Glostrup – Denmark	100.0	100.0
Colas Ltd.	Birmingham – United Kingdom	100.0	100.0
Colas Hungaria	Budapest – Hungary	100.0	100.0
Colas Polska	Sroda Wielkopolska – Poland	100.0	100.0
Colas CZ	Prague – Czech Republic	99.1	99.1
Colas Slovakia	Kosice – Slovakia	99.6	99.6
Colas Teoranta	Dublin – Irish Republic	100.0	100.0
Colas Suisse Holding SA	Lausanne – Switzerland	99.2	99.2
Destia Oy	Helsinki – Finland	100.0	100.0
Mak Mecsek zrt (equity method)	Budapest – Hungary	30.0	30.0
North America			
Colas Canada Inc.	Toronto, Ontario – Canada	100.0	100.0
Colas Inc.	Morristown, New Jersey – United States	100.0	100.0
Africa – Indian Ocean			
Colas Gabon	Libreville – Gabon	89.9	89.9
Colas Madagascar	Antananarivo – Madagascar	100.0	100.0
Colas Africa	Cotonou – Benin	100.0	100.0
Transinvest Construction Ltd.	Petite Rivière – Mauritius	100.0	100.0
Gamma Materials (equity method)	Beau Bassin – Mauritius	50.0	50.0
Colas du Maroc	Casablanca – Morocco	100.0	100.0
Grands Travaux Routiers	Rabat – Morocco	67.9	67.9
Colas Africa Holdings	Cape Town – South Africa	100.0	100.0
Asia			
Tipco Asphalt (equity method)	Bangkok – Thailand	31.1	31.1
Hincol (equity method)	Mumbai – India	30.0	30.0
Colas Australia Group	Sydney – Australia	100.0	100.0

A full list of companies included in the consolidation is available from the Investor Relations Department.

E-mail: contact-investors@colas.fr

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STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Statutory Auditors' report on the consolidated financial statements

(FISCAL YEAR ENDED DECEMBER 31, 2022)

To the Shareholders' Meeting of Colas SA

OPINION

In compliance with the engagement entrusted to us by your Annual General Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Colas SA for the fiscal year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2022 and of the results of its operations for the fiscal year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OUR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules provided for in the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2022 to the date of our report, and specifically we provided no services prohibited by Article 5, Paragraph 1 of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

As required by Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of the most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Construction contracts

(Notes 2.13.1, 4.2, 11.2 and 12 to the consolidated financial statements)

Risks identified

The Colas Group operates in the construction and maintenance of transport infrastructure, with 75% (€11,655 million) of its 2022 revenue generated by contracts accounted for using the percentage of completion method. Such revenue corresponds to the latest estimate of the total selling price and takes account of claims that have been accepted by the customer or are regarded as highly probable. It is recognized on the basis of the cost of works completed.

An expected loss to completion is recognized in full as soon as it is known and can be reliably measured.

The recognition of revenue and margin on construction contracts is largely dependent on judgements and estimates made by management in preparing budgets to completion.

Consequently, we considered accounting for construction contracts to be a key audit matter, given that the recognition of revenue and margin on construction contracts is sensitive to management judgements and estimates, and consequently may have a material impact on the financial statements.

Audit procedures implemented in light of identified risks

Our work consisted principally in:

- obtaining an understanding of the control environment, procedures, and when applicable, dedicated IT systems used by the most material subsidiaries to support the formation of construction contract revenue and monitor the corresponding expenditure;
- evaluating and testing the design and implementation of what we judged to be the key manual and IT controls used in the Group's most material subsidiaries;
- for a selection of construction projects judged to be the most important based on their contribution to consolidated revenue and profit for the year or on their inherent operational risks (complexity, use of subcontractors, etc.):

- cross-checking project revenue to completion against contractual data (initial contract, contract amendments, supplementary work requests, etc.);
- assessing whether the margin applied was consistent with the estimated costs at completion, contract execution impacts, the extent of risk coverage and the level of contingencies built into the budget;
- assessing the compliance of construction cost accounting (in particular the treatment of claims and provisions for losses to completion) with IFRS as endorsed by the European Union.

Non-current provisions for litigation and claims

(Notes 2.11.3 and 6.1 to the consolidated financial statements)

Identified risks and key areas of judgement

A presentation of the nature of provisions for litigation and claims, included within non-current provisions in the consolidated balance sheet at an amount of €142 million, is provided in Note 6.1 to the consolidated financial statements. The principal items covered by the provision are disputes with social security bodies in France, and miscellaneous customer claims. As indicated in Note 2.11.3, the amount recognized within non-current provisions is the Group's best estimate of the net outflow of resources.

We identified this as a key audit matter, insofar as the amount of non-current provisions for litigation and claims is sensitive to the assumptions and estimates used by the Group and consequently can have a material impact on the financial statements.

Audit procedures implemented in light of identified risks

Our work consisted principally in:

- examining the accounting policies and methods used, to ensure that they are compliant and consistently applied;
- gaining an understanding of the process used by the Group's senior financial and legal teams to identify and monitor litigation and claims;
- when applicable, evaluating and testing the design and implementation of controls used in the Group's most material subsidiaries, with a view to testing those procedures;
- for a selection of complex risks that were judged to be material, examining the soundness and underlying assumptions of the measurement of the risk and the amount of the year-end provision, including inter alia:
 - interviews with the Group's Legal & Compliance Department,
 - examination of documentation relating to the litigation or claim and correspondence with third parties, against which we tested management estimates,
 - examination of any relevant legal letters and written opinions from the Group's external counsels,
 - speaking directly to the Group's lawyers to confirm our understanding of material ongoing litigation and the level of claims, to assess the appropriateness of the size of the provisions,

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

OTHER VERIFICATIONS OR INFORMATION REQUIRED BY LAW AND REGULATIONS

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the parent company and consolidated financial statements presented in the European Single Electronic Format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chairman and Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European Single Electronic Format.

Due to the technical limitations inherent in block tagging the consolidated financial statements according to the European Single Electronic Format, it is possible that the content of certain tags in the notes may not be displayed in exactly the same way as in the accompanying consolidated financial statements.

In addition, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Colas SA by your Annual General Shareholders' Meeting of April 25, 2001 for Mazars and of April 17, 2019 for PricewaterhouseCoopers Audit.

As of December 31, 2022, Mazars was in its 22nd year of in a row as Statutory Auditor, and PricewaterhouseCoopers Audit in its 4th year.

RESPONSIBILITIES OF MANAGEMENT AND OF THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

It is the responsibility of management to prepare consolidated financial statements that give a true and fair presentation in accordance with International Financial Reporting Standards as endorsed by the European Union and to implement such internal control as it determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and applying the going concern basis of accounting unless it is expected to liquidate the Company or cease trading.

The Audit Committee is responsible for monitoring the process for the preparation of financial information and the effectiveness of internal control and risk management systems, and of internal audit, as regards procedures for preparing and processing accounting and financial information.

The consolidated financial statements have been approved for publication by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objectives and audit approach

It is our responsibility to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could be reasonably expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not involve guaranteeing the viability of the Company or how it is managed.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit.

In addition, the Statutory Auditor:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report, with the caveat that future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, the Statutory Auditor is required to draw attention in the Statutory Auditor's 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 disclaimer;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that gives a true and fair view of them;
- obtains what the Statutory Auditor considers sufficient appropriate audit evidence regarding the financial information of the entities or business activities included in the scope of consolidation to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on those consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee that describes inter alia the scope of the audit, the work program followed and our findings. We also inform the Audit Committee of any significant deficiencies in internal control we identified as regards the procedures used for the preparation and processing of accounting and financial information.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The information contained in our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in the present report.

We also provide the Audit Committee with the declaration (as required under Article 6 of Regulation (EU) No. 537/2014) of

our independence, within the meaning of the rules applicable in France and contained inter alia in Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where applicable, we also communicate with the Audit Committee about risks to our independence, and related safeguards.

The Statutory Auditors
French original signed by

Neuilly-sur-Seine and Paris-La Défense, February 21, 2023

PricewaterhouseCoopers Audit
Edouard Sattler Amélie Jeudi de Grissac

Mazars
Jean-Marc Deslandes Charles Desvernois

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French. It is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required under European regulations and French Law, such as information about the appointment of the Statutory Auditors and the verification of information concerning the Group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French Law and professional auditing standards applicable in France.



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ANNUAL FINANCIAL STATEMENTS OF COLAS SA

YEAR ENDED DECEMBER 31, 2022

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1. BALANCE SHEET AS OF DECEMBER 31

(€ million)	Note	12/31/2022			12/31/2021
		Gross value	Depreciation, amortization & impairment	Carrying amount	Carrying amount
Intangible assets		33	15	18	18
Property, plant and equipment		210	117	93	118
Holdings in subsidiaries and affiliates		2,569	409	2,160	2,117
Loans and advances to subsidiaries and affiliates		91		91	106
Other long-term investments		3		3	3
Non-current assets	3	2,906	541	2,365	2,362
Inventories		3		3	3
Trade receivables		86		86	80
Group and associates		363	43	320	252
Other receivables and accrual accounting adjustments		25		25	31
Cash		3		3	54
Current assets	4	480	43	437	420
TOTAL ASSETS		3,386	584	2,802	2,782
Share capital				49	49
Share premium and reserves				1,295	1,364
Net profit/(loss) for the period				339	156
Restricted provisions booked solely for tax purposes				10	9
Shareholders' equity	6			1,693	1,578
Provisions for risks and charges	7			92	97
Debt				3	3
Advances and down-payments received on orders					
Trade creditors	8			40	45
Group and associates	8			693	844
Other non-financial liabilities and accrual accounting adjustments	9			78	61
Overdrafts and short-term bank borrowings				203	154
Liabilities				1,017	1,107
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES				2,802	2,782

2. INCOME STATEMENT FOR THE YEAR

Income statement for the year		2022	2021
(€ million)	Note		
Sales	10	231	214
Reversals of provisions, depreciation & amortization, and cost transfers		29	27
Other income from operations		17	17
Purchases used in production		(6)	(5)
External charges		(112)	(107)
Personnel costs		(75)	(79)
Taxes other than income tax		(8)	(9)
Net depreciation & amortization expense		(9)	(10)
Net charges to provisions & impairment losses		(2)	(5)
Other expenses on operations		(8)	(1)
Operating profit		57	42
Financial income		359	245
Financial expenses		(106)	(147)
Net financial income/expense	11	253	98
Current profit		310	140
Exceptional income		83	59
Exceptional expenses		(25)	(25)
Exceptional items, net	12	58	34
Employee profit-sharing		(2)	
Income tax expense	13	(27)	(18)
NET PROFIT FOR THE YEAR		339	156

3. NOTES TO THE COLAS SA ANNUAL FINANCIAL STATEMENTS

*Figures are expressed in millions of euros (€M)
unless otherwise indicated.*

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NOTE 1 – GENERAL INFORMATION ABOUT THE COMPANY

INFORMATION ABOUT THE COMPANY

Colas is a *société anonyme* (a form of public limited company) registered in France.

On February 21, 2023, the Board of Directors closed off the accounts and authorized publication of the Colas financial statements for the year ended December 31, 2022.

SIGNIFICANT EVENTS OF FISCAL 2022

38 sites were sold for a total of €69 million, generating a capital gain of €50 million, in exceptional items (cf. Note 12).

REMINDER OF THE SIGNIFICANT EVENTS OF 2021

On August 25, 2021, Colas SA signed an agreement to acquire 100% of the equity capital of Destia from Ahlström Capital, a Finnish family-owned investment company.

The acquisition was completed in December 2021 after obtaining clearance from the competition authorities.

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The annual financial statements of Colas SA have been prepared in accordance with the current provisions of French Law, in compliance with the prudence principle and applying the following fundamental concepts:

- going concern;
- consistency of accounting policies from one period to the next;
- accruals basis of accounting.

The annual financial statements have been prepared in accordance with ANC Regulation 2014-03 on the *Plan Comptable Général*, and with the general rules for the preparation and presentation of annual financial statements.

The basic method used for measuring items recorded in the books of account is the historical cost method.

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are recognized at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are recognized at the exchange rate prevailing at the end of the reporting period.

INTANGIBLE ASSETS

Intangible assets mainly comprise patents and trademarks.

They are recognized at acquisition cost.

Start-up costs and research costs are expensed as incurred.

Development expenses are capitalized where the criteria for capitalization are met.

Trading goodwill and leasehold rights are not amortized, but are written down through an impairment allowance where required by economic circumstances.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is carried at acquisition cost net of accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, or of the components of the asset if they have different useful lives. Land is not depreciated.

Non-operating buildings: 20 to 40 years

Industrial buildings: 10 to 20 years

Plant, equipment and tooling: 5 to 10 years

Other property, plant and equipment (vehicles and office equipment): 3 to 10 years

Colas SA applies ANC Regulation 2015-06 in accounting for negative merger premium.

LONG-TERM INVESTMENTS

Holdings in subsidiaries and affiliates are recognized at cost, including directly attributable acquisition costs.

They are also measured at value in use, determined using objective criteria, forecast data, or any other information indicative of the actual value of the asset.

The valuation of holdings in subsidiaries and affiliates is assessed annually, and if acquisition cost exceeds value in use an impairment allowance is recognized to cover that excess.

If a subsidiary or affiliate becomes impaired, the equity interests are written down first, followed by any loans and advances to that subsidiary or affiliate. In addition, Colas recognizes a provision for risks if necessary, and if there is a formal or constructive obligation to recapitalize a subsidiary or affiliate.

Loans and advances to subsidiaries and affiliates, and other long-term investments, are carried at face value net of any impairment allowances.

INVENTORIES

Inventories are measured at the lower of cost or net realizable value.

Cost includes all acquisition and transformation costs.

Acquisition cost includes the purchase price, customs duties and other non-recoverable taxes and duties, and transport and handling costs incurred to bring inventories to their current location.

On subsequent measurement, cost is calculated using the first in first out method.

Net realizable value is the estimated selling price of the product less the estimated costs to complete and sell it.

TRADE RECEIVABLES

Trade receivables, which generally have payment terms of between 30 and 90 days, are recognized at their initial value less any impairment allowances judged necessary in the event of a risk of non-recovery.

OTHER RECEIVABLES AND ACCRUAL ACCOUNTING ADJUSTMENTS

Accrual accounting adjustments include deferred taxes recoverable in future periods, and prepaid expenses.

OWN SHARES

Own shares held by Colas SA under the liquidity contract are recorded in "Short-term investments", and are carried in the balance sheet at the lower of acquisition cost or realizable value. Realizable value is the average quoted market price for the last month of the year.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank and in hand, and deposits and short-term investments with an initial maturity of less than three months.

Short-term investments are measured at acquisition cost, and written down through an impairment allowance if their market value is less than acquisition cost.

FINANCIAL INSTRUMENTS

Colas SA uses hedging instruments to limit the impact on the income statement of fluctuations in exchange rates and interest rates.

These instruments share the following characteristics:

- they are limited to the following products: (i) forward currency purchases and sales, currency swaps, and purchases of currency options for currency risk hedging purposes; and (ii) interest rate swaps, future rate agreements, and purchases of caps and collars for interest rate risk hedging purposes;
- they are used solely for hedging and pre-hedging purposes;
- they are contracted solely with high-quality French and foreign banks;
- they carry no liquidity risk in the event of reversal.

The Company applies ANC Regulation 2015-05 on forward financial instruments and hedging.

PROVISIONS FOR RISKS AND CHARGES

Provisions are recognized where Colas has a present obligation, whether legal or constructive, as a result of a past or ongoing event and it is probable that an outflow of cash will be required to settle the obligation.

They mainly comprise:

- provisions for miscellaneous risks, including (i) litigation and claims and (ii) provisions for risks relating to loss-making subsidiaries, which are recognized when impairment allowances against equity interests and against loans and advances to the subsidiary are insufficient to cover the subsidiary's negative net assets;
- provisions for charges, which include employee benefits such as bonuses, lump-sum retirement benefits, and long service awards.

Lump-sum retirement benefits

Colas SA records a provision for lump-sum retirement benefits. The liability recognized in the balance sheet represents the net present value of the obligation, after adjusting for actuarial gains and losses and for unrecognized past service cost. The present value of the obligation for defined-benefit plans is determined by discounting the estimated future cash outflows at an interest rate for high-quality corporate bonds that (i) are denominated in the currency in which the benefits will be paid and (ii) have a maturity close to the estimated average maturity of the retirement benefit.

Actuarial gains and losses resulting from changes in actuarial assumptions and experience adjustments are amortized using the corridor method over the average residual period during which plan members are expected to remain employed by the Company; only the portion of such gains and losses that exceeds 10% of the net present value of the obligation is amortized.

Following the November 2021 update to ANC recommendation 2013-02, benefits are allocated on a straight-line basis over the period from the date when an employee's entitlement begins through to retirement age, in cases where the amount of benefit is capped.

Long service awards

Colas SA has a long-standing and systematic policy of awarding long service bonuses, which are covered by a provision. The calculation method is based on individual projections and takes into account (i) employee turnover and (ii) estimated mortality, based on mortality tables.

The main actuarial assumptions used to calculate obligations in respect of lump-sum retirement benefit obligations and long service bonuses are:

	2022	2021
Discount rate (iBoxx € corporate)	3.563%	1.013%
Life table - men	Insee 2012-2014	Insee 2012-2014
Life table - women	Insee 2012-2014	Insee 2012-2014
Age on retirement: managerial grades	65	65
Age on retirement: technical, supervisory & clerical staff, and site workers	63	63
Salary inflation rate	2.5%	2.0%

Supplementary pension plans

Obligations under defined-contribution supplementary post-employment benefit plans are covered by regular payments made by the Company to independent pension fund managers and recognized in profit or loss as and when they are made.

SALES

Sales represents the aggregate amount of sales of goods and supplies of services to Colas subsidiaries and affiliates.

INCOME TAXES

In accordance with OEC recommendation no. 1.20 of February 1987, Colas SA recognizes deferred taxes with the exception of those arising on (i) restricted provisions booked solely for tax purposes and (ii) investment grants.

Deferred taxes are recognized using the balance sheet liability method on all taxable or deductible temporary differences existing at the end of the reporting period.

Taxable or deductible temporary differences include:

- all differences between (i) the tax base of assets and liabilities and (ii) their carrying amount in the balance sheet;
- tax loss carry-forwards and tax credits not yet used.

If the net deferred tax position represents an asset, that asset is not recognized in the balance sheet unless it is highly probable that it will be recovered in future periods.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, using tax rates that have been enacted or substantively enacted by the end of the reporting period.

CONSOLIDATION

Colas SA is consolidated by the Bouygues group, the parent company of which is Bouygues SA: (SIRET no. 572 015 246 000216), 32 Avenue Hoche, 75008 Paris (France).

NOTE 3 - NON-CURRENT ASSETS

	January 1, 2022	Acquisitions and other increases	Disposals and other reductions	Charges and reversals	December 31, 2022
Intangible assets					
Gross value	33				33
Amortization and impairment	(15)		0		(15)
Carrying amount	18		0		18
Property, plant and equipment					
Gross value	248	4	(42)		210
Depreciation	(130)			13	(117)
Carrying amount	118	4	(42)	13	93
Holdings in subsidiaries and affiliates					
Gross value ⁽¹⁾	2,454	119	(4)		2,569
Impairment	(337)			(72)	(409)
Carrying amount	2,117	119	(4)	(72)	2,160
Loans and advances to subsidiaries and affiliates					
Gross value	106	18	(33)		91
Impairment					
Carrying amount	106	18	(33)		91
Other long-term investments					
Gross value	3				3
Impairment					
Carrying amount	3				3
TOTAL: NON-CURRENT ASSETS	2,362	141	(79)	(59)	2,365

(1) Mainly due to recapitalizations of subsidiaries.

NOTE 4 - CURRENT ASSETS

			2022	2021
	Gross value	Impairment	Carrying amount	Carrying amount
Inventories	3		3	3
Trade receivables	86		86	80
Group and associates	363	(43)	320	252
Other receivables and accrual accounting adjustments	25		25	31
of which advances and down-payments	1		1	1
of which other receivables	21		21	26
of which other accrual accounting adjustments	1		1	1
of which deferred tax assets	2		2	3
Short-term investments, cash and cash equivalents	3		3	54
of which short-term investments	2		2	2
of which cash and cash equivalents	1		1	52
TOTAL: CURRENT ASSETS	480	(43)	437	420

NOTE 5 - FINANCIAL INSTRUMENTS

Colas SA's financial instruments had a positive net value of €1.25 million as of December 31, 2022.

The tables below show aggregate notional amounts for each type of financial instrument used as of December 31, 2022, including a split by currency for currency hedges.

HEDGES OF FOREIGN EXCHANGE RISK

	HUF ⁽¹⁾	USD ⁽¹⁾	GBP ⁽¹⁾	Other ⁽¹⁾	12/31/2022
Forward purchases	50	4		1	55
Forward sales	3	10	8	0	21

(1) Equivalent value in euros.

HEDGES OF INTEREST RATE RISK

	Maturity			Total 12/31/2022	Total 12/31/2021
Interest rate swaps	Less than 1 year	1 to 5 years	More than 5 years		
On financial assets	-	-	-	-	-
On financial liabilities	-	200	-	200	

The interest rate hedges contracted by Colas SA are cyclical swaps (pay fixed rate), which are used to hedge the seasonal profile of the Group's euro-denominated debt. The average amount of the swaps over the life of the instruments is €224 million (notional amount: €200 million as of December 31, 2022), and they expire on October 1, 2024.

NOTE 6 – SHAREHOLDERS' EQUITY

COMPOSITION OF THE SHARE CAPITAL

The share capital of Colas as of December 31, 2022 was €48,981,748.50.

It consists of 32,654,499 shares with a par value of €1.50, all ranking equally (although registered shares held by the same shareholder for more than two years carry double voting rights).

OWN SHARES HELD AS OF DECEMBER 31, 2022

Colas held 12,497 of its own shares at a carrying amount of €1,651,704.49, classified as short-term investments.

MOVEMENTS DURING THE PERIOD

	Number of shares	Share capital (in euros)
January 1, 2022	32,654,499	48,981,748.50
Movements during 2022	-	-
DECEMBER 31, 2022	32,654,499	48,981,748.50

PRINCIPAL SHAREHOLDERS

Bouygues SA	31,612,111	96.81%
Other shareholders	1,042,348	3.19%

CHANGE IN SHAREHOLDERS' EQUITY

	January 1, 2022	Change of accounting policy	Appropriation by AGM ⁽¹⁾	Results and Other movements	December 31, 2022
Share capital	49				49
Share premium	406				406
Revaluation reserve	2			(1)	1
Legal reserve	5				5
Non-distributable reserve	1				1
Other reserves	13				13
Retained earnings	937		(68)		869
Share premium and reserves	1,364		(68)	(1)	1,295
Net profit/(loss) for the period	156		(156)	339	339
Restricted provisions booked solely for tax purposes	9			1	10
TOTAL SHAREHOLDERS' EQUITY	1,578		(224)	339	1,693

(1) Distribution of a dividend of €6.85 per share, i.e. €223,683,318.15.

NOTE 7 - PROVISIONS FOR RISKS AND CHARGES

	January 1, 2022	Change of accounting policy	Charges to provisions	Reversals (provisions used)	Reversals (provisions not used)	December 31, 2022
Litigation and claims	10		1	(3)	(4)	4
Risks on subsidiaries and affiliates	60		4		(1)	63
Other provisions for risks	2				(1)	1
Provisions for risks	72		5	(3)	(6)	68
Retirement benefits and similar obligations	25		1	(2)		24
Provisions for charges	25		1	(2)		24
TOTAL	97		6	(5)	(6)	92

NOTE 8 - RECEIVABLES AND LIABILITIES BY MATURITY

	Net amounts	Less than 1 year	1 to 5 years	More than 5 years
Non-current receivables	94	91	1	2
Current receivables	431	431		
RECEIVABLES	525	522	1	2
Debt	3	3		
Other liabilities	811	811		
LIABILITIES	814	814		

NOTE 9 - OTHER NON-FINANCIAL LIABILITIES AND ACCRUAL ACCOUNTING ADJUSTMENTS

	2022	2021
Tax and employee-related liabilities	61	49
Amounts payable in respect of non-current assets	4	3
Other liabilities	4	3
Deferred income and other accrual accounting adjustments	9	6
TOTAL	78	61

NOTE 10 - ANALYSIS OF SALES

	France	International	2022	2021
Sales of goods	2	1	3	4
Sales of services ⁽¹⁾	124	104	228	210
SALES	126	105	231	214

(1) Sales of services to subsidiaries and affiliates.

NOTE 11 - FINANCIAL INCOME AND EXPENSES

	2022	2021
Income from subsidiaries and affiliates	317	226
Net interest income/(expense)		3
Other movements in financial provisions ⁽¹⁾	(63)	(128)
Net proceeds from disposals of short-term investments	-	-
Net foreign exchange differences	(1)	(3)
NET FINANCIAL INCOME/EXPENSE	253	98

(1) This amount corresponds to impairment allowances against equity interests in, and loans and advances to, subsidiaries of Colas SA.

NOTE 12 - EXCEPTIONAL ITEMS

	2022	2021
Gains/(losses) on non-recurring disposals of non-current assets (land, buildings, long-term investments) ⁽¹⁾	58	33
Other income/(expenses) on management transactions (net)	1	2
Movements in exceptional provisions	(1)	(1)
EXCEPTIONAL ITEMS, NET ⁽¹⁾	58	34

(1) €58 million from disposals of property, including a capital gain of €50 million generated by the sale of 38 sites for €69 million.

NOTE 13 - INCOME TAX EXPENSE

ANALYSIS OF INCOME TAX EXPENSE

	2022	2021
Tax payable for the current year	(26)	(9)
Back tax and tax reliefs from prior years	-	-
Deferred taxes	(1)	(9)
INCOME TAX EXPENSE	(27)	(18)

Colas is included in the Bouygues SA group tax election pursuant to Articles 223a *et seq* of the French General Tax Code. That agreement applied for a period of five financial years from January 1, 2022 to December 31, 2026, and is automatically renewable. Income tax expense is calculated as though Colas SA was not included in the Group tax election.

SPLIT OF INCOME TAX EXPENSE BETWEEN CURRENT PROFIT AND EXCEPTIONAL ITEMS

	Pre-tax profit	Income tax due	Net profit after tax
Current profit (after employee profit-sharing)	308	(12)	296
Exceptional items	58	(15)	43
TOTAL	366	(27)	339

ANALYSIS OF DEFERRED TAXES

	Temporary differences
Non-current assets	(4)
Current assets	2
Temporarily non-deductible provisions for risks and charges	22
Tax losses available for carry-forward	-
TOTAL DEFERRED TAX BASE	20
Income tax rate	25.83%
DEFERRED TAXES AT END OF PERIOD	5
Impact of future enacted tax rates	-
Deferred taxes at start of period	6
Deferred tax (gain)/expense	1

NOTE 14 – IMPACT OF TAX EXEMPTIONS ON PROFIT OR LOSS

Net profit for the period	339
Charges to restricted provisions	2
Reversals of restricted provisions	(1)
Impact on income taxes	
NET PROFIT BEFORE IMPACT OF TAX EXEMPTIONS	340

NOTE 15 – OFF BALANCE SHEET COMMITMENTS
COMMITMENTS

	Guarantees	Letters of intent	Total
Subsidiaries and affiliates	1,349	8	1,357
Other related undertakings	-	-	-
Third parties	2	-	2
Commitments given	1,351	8	1,359
Commitments received	-	-	-
Operating lease commitments	-	-	63

In 2022, Colas SA issued guarantees pursuant to section 357 of the Irish Companies Act 2014, to cover commitments entered into by its subsidiaries Colas Teoranta, VIAE Ltd, Colas Bitumen Emulsion (East), Continental Bitumen Emulsion (West), Chemoran Ltd, Colas Contracting Ltd, Atlantic Bitumen Company Ltd, Street Sweep Ltd, Siac Bituminous Products Limited and Continental Bitumen Ltd.

COLLATERAL PLEDGED AS SECURITY FOR LIABILITIES

None.

NOTE 16 – HEADCOUNT AND REMUNERATION OF DIRECTORS AND SENIOR EXECUTIVES
AVERAGE HEADCOUNT

	2022	2021
Managerial staff	406	403
Administrative, clerical, technical and supervisory staff	71	70
TOTAL	477	473

REMUNERATION OF DIRECTORS AND SENIOR EXECUTIVES

The gross remuneration (including benefits in kind, but excluding variable remuneration) paid in 2022 to Frédéric Gardès for serving as Chairman & CEO was recharged by Bouygues SA (of whom he is an employee) in an amount of €920,000.

Based on the elements determined by the Board meeting of February 21, 2023, gross variable remuneration in respect of 2022, contingent on quantitative and qualitative objectives, to be paid to him in 2023 subject to approval at the Annual General Meeting, will amount to €356,960.

The Chairman & CEO is entitled to benefits under a vested-rights top-up pension scheme governed by Article L. 137-11-2 of the French Social Security Code. As of December 31, 2022, a €353,781 provision has been stated for the payment to be made in 2023 to the insurance company for the year 2022.

The gross amount of remuneration paid to the directors in 2022 in respect of 2022 was €192,200.

LOANS AND ADVANCES TO CORPORATE OFFICERS

None.

NOTE 17 – AUDITORS' FEES

	Mazars		PwC	
	2022	2021	2022	2021
Audit of annual and consolidated financial statements	0.2	0.2	0.2	0.2
Other services				
TOTAL	0.2	0.2	0.2	0.2

NOTE 18 - HOLDINGS IN SUBSIDIARIES AND AFFILIATES

(€ million)	Share capital	Other share-holders' equity	% held ⁽¹⁾	Carrying amount		Loans and advances made	Guarantees given	Sales	Net profit/ (loss) for year	Dividend received
				Gross	Net					
1. French subsidiaries										
Colas France	54	531	100.0	26	26		-	4,172	103	110
Aximum	22	8	100.0	90	90	26		231	4	
Spac	5	11	100.0	14	14	8		144	1	
Colas Rail	220	(64)	100.0	456	456	50		266	17	1
Sté Raffinerie de Dunkerque	41	(98)	100.0	21	-	40				
Colas Projects	1	23	100.0	67	31	13	124	6	(6)	
G.T.O.I.	11	(4)	100.0	32	32	35		141	(4)	
S.C.P.R.	1	27	100.0	30	30			54	1	1
Ribal Travaux Publics	8	16	100.0	8	8		31	50	3	3
Gouyer	2	2	100.0	48	20			-	2	1
Sogetra		10	100.0	4	4			35	1	1
Other French subsidiaries ⁽²⁾				288	287	77	84			13
Total French subsidiaries				1,084	998	249	239			130
2. French affiliates										
French affiliates				1	-	-				
Total French affiliates				1	-	-				
3. Foreign subsidiaries										
Colas Danmark	3	39	100.0	71	48			123	(3)	
Destia Oy	17	28	100.0	259	259			519	10	17
Colas Ltd	30	24	100.0	45	45	8		289	6	7
Colas Belgium	63	17	100.0	123	55	7	47	117	(21)	
Colas Slovakia	88	(73)	100.0	87	10			78		
Colas Hrvatska	20	2	100.0	51	21			44		1
Colas Africa	23	(14)	100.0	101	31	79		36	(15)	
Colas Canada	278	447	100.0	286	286		175	2,213	48	66
Colas Inc	0	518	100.0	143	143			2,182	(8)	23
Colas Australia Group PTY Ltd	2	61	100.0	68	68				11	
Other foreign subsidiaries				187	133	66	888			75
Total foreign subsidiaries				1,421	1,099	160	1,110			189
4. Foreign affiliates										
Foreign affiliates				63	63					
Total foreign affiliates				63	63					
GRAND TOTALS				2,569	2,160	409	1,349			319

(1) Direct and indirect holdings.

(2) 26% of the gross value of holdings in French subsidiaries.

NOTE 19 - LIST OF HOLDINGS IN SUBSIDIARIES & AFFILIATES AND INVESTMENTS

Name	Number of	Estimated realizable
	shares	value (€ '000)
Colas France	7,449,383	25,682
Aximum	29,300,000	90,104
Spac	5,100,000	14,330
Colas Bitumen France	6,037,000	5,710
Colas Rail	220,312,762	456,385
Colas Projects	1,212,499	31,374
Grands Travaux de l'Océan Indien (GTOI)	800,000	31,781
SCPR	32,600	30,300
Ribal Travaux Publics	7,500,000	7,644
Sogetra	146,895	3,492
Gouyer	128,412	20,033
Colas Mayotte	18,548,640	927
Entreprise de Travaux Publics et de Concassage (ETPC)	80,000	200
Colas Digital Solutions	1,575,000	2,559
Colasie	624,270	634
Colas Environnement et Recyclage	160,000	312
Other French subsidiaries and affiliates		267,532
Colas Danmark	2	47,758
Destia	680,000	258,908
Colas Ltd	26,500,000	45,158
Colas Belgium	62,762,601	54,799
Colas Slovakia	2,673,325	10,166
Colas Hrvatska	91,780	21,486
Colas Africa	76,800	31,215
Colas Canada	50,238,971	285,956
Colas Inc	1,800	142,865
Colas Australia Group PTY Ltd	2,622,285	67,650
Other foreign subsidiaries and affiliates	-	196,235
Total holdings in subsidiaries and affiliates		2,160,195
Other investments in French companies		6
Other investments in foreign companies		
Total other long-term investments		6
Certificates of deposit		
Mutual funds		
Total short-term investments		0
TOTAL HOLDINGS IN SUBSIDIARIES & AFFILIATES INVESTMENTS		2,160,201

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STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS

Statutory Auditors' report on the parent company financial statements

(FISCAL YEAR ENDED DECEMBER 31, 2022)

To the Shareholders' Meeting of Colas SA

OPINION

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying parent company financial statements of Colas SA for the fiscal year ended December 31, 2022.

In our opinion, the parent company financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2022 and of the results of its operations for the fiscal year then ended in accordance with French Generally Accepted Accounting Principles (GAAP).

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OUR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' responsibilities for the audit of the parent company financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules provided for in the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from January 1, 2022 to the date of our report, and specifically we provided no services prohibited by Article 5, Paragraph 1 of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

As required by Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of the most significance in our audit of the parent company financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the parent company financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the parent company financial statements.

VALUATION OF HOLDINGS IN SUBSIDIARIES AND AFFILIATES (NOTES 2, 3 AND 18 TO THE PARENT COMPANY FINANCIAL STATEMENTS)

Risk identified

Holdings in subsidiaries and affiliates, reported in the balance sheet as of December 31, 2022 at a carrying amount of €2,160 million, represent 77% of total assets. They are initially measured at acquisition cost and assessed for impairment on the basis of value in use. The value in use of holdings in subsidiaries and affiliates is estimated by management on the basis of objective criteria, forecast data or any other information indicative of the actual value of the asset. The valuation of holdings in subsidiaries and affiliates is assessed annually, and if net carrying amount exceeds value in use, an impairment allowance is recognized to cover that excess.

Given the degree of judgment applied by management in determining the value in use of holdings in subsidiaries and affiliates, in particular where the carrying amount is significantly higher than the share of net assets held, we considered the measurement of such assets to be a key audit matter.

Audit procedures implemented

The procedures we used to assess the reasonableness of the estimates of the value in use of holdings in subsidiaries and affiliates involved comparing the carrying amount to the share of net assets held and then, in cases where the carrying amount was significantly higher than the share of net assets held:

- on the basis of the information provided to us, assessing whether the value in use determined by management was adequately supported;
- assessing whether the data used to test holdings in subsidiaries and affiliates for impairment was consistent with source data from the investee;
- testing the arithmetical accuracy of value in use calculations carried out by management.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French Law and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements addressed to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the parent company financial statements of the information given in the Board of Directors' management report and in other documents addressed to the shareholders about the financial position and the parent company financial statements.

We hereby attest that the information about payment terms provided in accordance with Article D. 441-6 of the French Commercial Code (*Code de commerce*) is fairly presented and consistent with the parent company financial statements.

Report on corporate governance

We hereby attest that the information required under Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code (*Code de commerce*) is contained in the Board of Directors' report on corporate governance.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) relating to the compensation and benefits paid or awarded to Company officers and commitments made in their favor, we have verified its consistency with the parent company financial statements, or with the underlying data used to prepare these financial statements and, where applicable, with items obtained by your company from entities that are controlled by it and are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

As regards the information required under Article L. 22-10-11 of the French Commercial Code (*Code de commerce*) on factors your company regards as likely to have an impact in the event of a public tender or exchange offer, we have verified its consistency with the source documents as communicated to us. Based on those procedures, we have no matters to report on this information.

OTHER INFORMATION

In accordance with *French Law*, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the *Shareholders* and holders of the voting rights has been properly disclosed to you in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of presentation of the parent company financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the parent company and consolidated financial statements presented in the European Single Electronic Format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chairman and Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the parent company financial statements intended to be included in the annual financial report complies, in all material respects, with the European Single Electronic Format.

We have no responsibility to verify that the parent company financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Colas SA by your Annual General Shareholders' Meeting of April 25, 2001 for Mazars and of April 17, 2019 for PricewaterhouseCoopers Audit.

As of December 31, 2022, Mazars was in its 22nd year of in a row as Statutory Auditor, and PricewaterhouseCoopers Audit in its 4th year.

RESPONSIBILITIES OF MANAGEMENT AND OF THOSE CHARGED WITH GOVERNANCE FOR THE PARENT COMPANY FINANCIAL STATEMENTS

It is the responsibility of management to prepare parent company financial statements that give a true and fair presentation in accordance with French Generally Accepted Accounting Principles (GAAP) and to implement such internal control as it determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company 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 applying the going concern basis of accounting unless it is expected to liquidate the Company or cease trading.

The Audit Committee is responsible for monitoring the process for the preparation of financial information and the effectiveness of internal control and risk management systems, and of internal audit, as regards procedures for preparing and processing accounting and financial information.

The parent company financial statements have been approved for publication by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE PARENT COMPANY FINANCIAL STATEMENTS

Objectives and audit approach

It is our responsibility to issue a report on the parent company financial statements. Our objective is to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could be reasonably expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not involve guaranteeing the viability of the Company or how it is managed.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit. In addition, the Statutory Auditor:

- identifies and assesses the risks of material misstatement of the parent company financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the parent company financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report, with the caveat that future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, the Statutory Auditor is required to draw attention in the Statutory Auditor's report to the related disclosures in the parent company financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or disclaimer;
- evaluates the overall presentation of the parent company financial statements and assesses whether these statements represent the underlying transactions and events in a manner that gives a true and fair view of them.

Report to the Audit Committee

We submit a report to the Audit Committee that describes *inter alia* the scope of the audit, the work program followed and our findings. We also inform the Audit Committee of any significant deficiencies in internal control we identified as regards the procedures used for the preparation and processing of accounting and financial information.

The information contained in our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the parent company financial statements of the current period and which are therefore the key audit matters that we are required to describe in the present report.

We also provide the Audit Committee with the declaration (as required under Article 6 of Regulation (EU) No. 537/2014) of our independence, within the meaning of the rules applicable in France and contained *inter alia* in Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where applicable, we also communicate with the Audit Committee about risks to our independence, and related safeguards.

The Statutory Auditors
French original signed by

Neuilly-sur-Seine and Paris-La Défense, February 21, 2023

PricewaterhouseCoopers Audit
Edouard Sattler Amélie Jeudi de Grissac

Mazars
Jean-Marc Deslandes Charles Desvernois

This is a free translation into English of the Statutory Auditors' report on the parent company financial statements of the Company, issued in French. It is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required under European regulations and French Law, such as information about the appointment of the Statutory Auditors and the verification of information concerning the Group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French Law and professional auditing standards applicable in France.

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STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Statutory Auditors' special report on regulated agreements

(Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2022)

To the Shareholders' Meeting of Colas SA

In our capacity as Statutory Auditors of your company, we hereby report to you on regulated agreements.

We are required to report to you, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or which were brought to light as a result of our assignment, as well as the reasons justifying the benefit of those agreements for the Company. We are not required to comment on their usefulness or substance, or to determine whether other such agreements exist. It is your responsibility to determine whether those agreements are of benefit and should be approved, in accordance with the terms of Article R. 225-31 of the French Commercial Code (*Code de commerce*).

We are also required to report to you any information required under Article R. 225-31 of the French Commercial Code regarding the implementation during the fiscal year under review of agreements already approved at previous Shareholders' Meetings.

We have performed the procedures that we deemed necessary in light of the professional guidelines of the French National Institute of Statutory Auditors relating to this engagement. Those procedures involved ensuring that the information disclosed to us was consistent with the source documents from which it was taken.

Agreements submitted for approval at the Shareholders' Meeting

AGREEMENTS AUTHORIZED AND ENTERED INTO DURING THE FISCAL YEAR UNDER REVIEW

Pursuant to Article L. 225-40 of the French Commercial Code, we have been informed of the following agreements entered into during the fiscal year under review, which received prior approval by your Board of Directors.

Renewal of the shared service agreement with Bouygues SA

At its meeting of November 15, 2022, the Board of Directors authorized the renewal of the shared service agreement between Bouygues and Colas, for a one-year period from January 1, 2023 to December 31, 2023.

The agreement enables Colas (in return for a fee) to benefit from services and assistance provided by Bouygues (principally management, human resources, information technology, and financial and legal services). The terms of the agreement are unchanged from those of the previous agreement, as described below.

The renewal of this agreement had no financial impact on the 2022 fiscal year. It will impact the 2023 fiscal year.

Persons concerned

Frédéric Gardès (Chairman of the Board of Directors); Cyril Bouygues, Didier Casas and Olivier Roussat (Directors); and Bouygues SA, represented by Pascal Grangé.

Renewal of the aircraft charter agreement with Airby

At its meeting of November 15, 2022, the Board of Directors authorized the renewal of this agreement with Airby, a subsidiary of Bouygues and SCDM, for a further one-year period from January 1, 2023 to December 31, 2023.

The agreement involves Airby making a Global 6000 aircraft available to Colas or, if that aircraft is unavailable, an aircraft rented on the market suitable for the needs of Colas. The terms of the agreement are unchanged from those of the previous agreement, as described below.

The renewal of this agreement had no financial impact on the 2022 fiscal year. It will impact the 2023 fiscal year.

Persons concerned

Frédéric Gardès (Chairman of the Board of Directors); Cyril Bouygues, Didier Casas and Olivier Roussat; and Bouygues SA, represented by Pascal Grangé.

Sale of Colas SA's stake in Ravinala Airports to Meridiam

At its meeting of January 14, 2022, the Board of Directors authorized the sale by Colas SA to Meridiam of its stake in Ravinala Airports along with the latter's current account debt to Colas SA. The sale agreement was signed on March 7, 2022, subject to conditions precedent.

As these conditions precedent were met, the closing of the sale, accompanied by the signing of the agreement reiterating all of the original agreement's terms and conditions apart from the conditions precedent took place on December 19, 2022.

At its meeting of December 9, 2022, the Board of Directors had authorized the signing of the consent letter, which had been carried out on December 13, 2022.

The strategy pursued by Colas for concession projects is to sell its stake as soon as possible after the construction work is completed, taking into account the constraints arising from the contract entered into with the client.

In this case, the contract entered into with the Malagasy authorities allowed for the disposal of the stake two years after the acceptance of work, thus in December 2021.

The transaction was recognized in the financial statements for the fiscal year ended December 31, 2022 for a selling price of €330,518, and the shareholders' loan was repaid in the amount of €5,269,482.

Persons concerned: Stéphanie Rivoal (Director of Colas and member of the Supervisory Board of Meridiam).

Agreements already approved at previous Shareholders' Meetings

AGREEMENTS APPROVED IN PREVIOUS FISCAL YEARS

Pursuant to Article R. 225-30 of the French Commercial Code, we were informed that the following agreements, which were already approved at Shareholders' Meetings in previous fiscal years, remained in effect during the fiscal year under review.

Shared service agreement with Bouygues

The Board of Directors, at its meeting of November 9, 2021, and the Shareholders' Meeting of April 26, 2022 approved the renewal of the shared service agreement with Bouygues for a period of one year from January 1 to December 31, 2022.

That agreement enables Colas (in return for a fee) to benefit from services and assistance provided by Bouygues, principally

management, human resources, information technology, and financial and legal services.

The principle behind the agreement is based on rules for allocating and invoicing the cost of shared services, including specific services and a share of residual costs, up to a limit expressed as a percentage of Colas' revenue. The share of residual costs is invoiced to the subsidiary concerned at cost plus a margin of 10% for high value-added services and 5% for low value-added services.

The total expense recognized by Colas SA in the financial statements for the fiscal year ended December 31, 2022 in respect of this agreement was €19,560,033.

Persons concerned

Frédéric Gardès (Chairman of the Board of Directors); Arnaud Van Eeckhout, Olivier Bouygues, Olivier Roussat and Colette Lewiner (Directors); and Bouygues SA, represented by Pascal Grangé.

Aircraft charter agreement with Airby

The Board of Directors, at its meeting of November 9, 2021, and the Shareholders' Meeting of April 26, 2022 approved the renewal of the agreement with SNC Airby (a subsidiary of Bouygues and SCDM) relating to the chartering of aircraft and the provision of all associated services (such as aircrew and fuel), for a period of one year from January 1 to December 31, 2022.

The agreement involves Airby making a Global 6000 aircraft available to Colas or, if that aircraft is unavailable, an aircraft rented on the market suitable for the needs of Colas:

- for the Global 6000 aircraft: Colas is charged €7,000 excluding VAT per flight hour. This rate is revised annually to reflect changes in market rates;
- for an aircraft rented on the market: Colas is charged the rental fee for the aircraft plus, on each occasion an aircraft is made available, a fixed fee of €1,000 excluding VAT to remunerate the charter service provided by SNC Airby to Bouygues.

A separate invoice is issued each time an aircraft is made available. The total expense recognized by Colas SA in the financial statements for the fiscal year ended December 31, 2022 in respect of this agreement was €885,851.

Persons concerned

Frédéric Gardès (Chairman of the Board of Directors); Arnaud Van Eeckhout, Olivier Bouygues, Olivier Roussat and Colette Lewiner (Directors); and Bouygues SA, represented by Pascal Grangé.

Tax consolidation agreement

The Shareholders' Meeting of April 26, 2022 approved the renewal of the tax consolidation agreement between Colas and Bouygues. That agreement applies for a period of five fiscal years, from January 1, 2022 to December 31, 2026, and is automatically renewable.

The agreement governs how income tax expense is allocated within the consolidated tax group formed by Bouygues as parent company, pursuant to Article 223-A of the French General Tax Code (*Code général des impôts*), and specifically charges to Colas the amounts of tax which it is jointly and severally liable to pay.

By the same agreement, Colas authorizes Bouygues to be the sole taxpayer in respect of taxes on the profits of Colas with a view to determining the taxable profits or losses of the tax group as a whole.

This agreement was applied during the 2022 fiscal year.

Persons concerned

Frédéric Gardès (Chairman of the Board of Directors); Arnaud Van Eeckhout, Olivier Roussat, Olivier Bouygues and Colette Lewiner (Directors); and Bouygues SA, represented by Pascal Grangé.

The Statutory Auditors
French original signed by

Neuilly-sur-Seine and Paris-La Défense, March 21, 2023

PricewaterhouseCoopers Audit	Mazars
Edouard Sattler Amélie Jeudi de Grissac	Jean-Marc Deslandes Charles Desvernois

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French Law and professional standards applicable in France.

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STATUTORY AUDITORS' SPECIAL REPORTS ON DELEGATIONS

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Statutory Auditors' report on the capital reduction

(Shareholders' Meeting of April 25, 2023 – Resolution 18)

To the Shareholders' Meeting of Colas SA

In our capacity as Statutory Auditors of your company, and in fulfilment of the engagement specified in Article L. 22-10-62 of the French Commercial Code (*Code de commerce*) in the event of a reduction in share capital by retirement of repurchased shares, we hereby report on our assessment of the reasons for and terms of the proposed reduction in share capital.

Your Board of Directors proposes that you delegate to it, for a period of 18 months from the date of the present Shareholders' Meeting, full powers to retire, subject to a cap of 10% of the share capital per 24-month period, shares repurchased by your

company under an authorization to repurchase its own shares pursuant to the aforementioned Article.

We have performed the procedures that we deemed necessary in light of the professional guidelines of the French National Institute of Statutory Auditors relating to this engagement. Our procedures involve us examining whether the reasons for and terms of the proposed capital reduction, which is not likely to affect the equal treatment of shareholders, are in order.

We have no comment to make on the reasons for and terms of the proposed reduction in share capital.

The Statutory Auditors
French original signed by

Neuilly-sur-Seine and Paris-La Défense, March 21, 2023

PricewaterhouseCoopers Audit
Edouard Sattler Amélie Jeudi de Grissac

Mazars
Jean-Marc Deslandes Charles Desvernois

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Statutory Auditors' report

on the issue of shares and any other securities with and/or without preferential subscription rights for existing shareholders

(Shareholders' Meetings of April 25, 2023 – Resolutions 19, 21, 22, 23, 24)

To the Shareholders' Meeting of Colas SA

In our capacity as your company's Statutory Auditors and in fulfilment of the engagement specified in Articles L. 228-92 and L. 225-135 et seq. as well as L. 22-10-52 of the French Commercial Code (Code de commerce), we hereby report to you on the proposed delegation to the Board of Directors of authority to proceed with various issues of shares and/or other securities, transactions which are being submitted for your approval.

On the basis of its report, your Board of Directors proposes that:

- authority be delegated to it, with the option to sub-delegate that authority as provided for by laws and regulations, for a period of 26 months from the date of this Shareholders' Meeting, to decide on and determine the final conditions of the following issues and, where applicable, withhold your preferential subscription rights:
 - the issue, with preferential subscription rights (Resolution 19), of (i) ordinary shares in the Company and (ii) any other securities that are equity securities giving immediate and/or future access by any means, whether at any time or on a specific date, to other equity securities of the Company or giving immediate and/or future access by any means to debt securities or (iii) securities giving immediate or future access by any means to equity securities to be issued by the Company,
 - the issue, without preferential subscription rights, by way of a public offering not covered by Paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code (Code monétaire et financier) (Resolution 21), of (i) ordinary shares in the Company as well as (ii) any other securities that are equity securities giving immediate and/or future access by any means, whether at any time or on a specific date, to other equity securities of the Company or (iii) securities giving immediate and/or future access by any means to equity securities to be issued by the Company,

- the issue, without preferential subscription rights, by way of public offerings covered by Paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code and up to a maximum of 10% of the Company's share capital each year (Resolution 22), of (i) ordinary shares in the Company as well as (ii) any other securities that are equity securities giving immediate and/or future access by any means, whether at any time or on a specific date, to other equity securities of the Company or (iii) other securities giving immediate and/or future access by any means to equity securities to be issued by the Company;
- it be authorized, by Resolution 23 and under the delegated authority provided for in Resolutions 21 and 22, to determine the issue price up to the annual statutory limit of 10% of the Company's share capital.

In accordance with Resolution 19, the total nominal amount of capital increases that may be undertaken immediately or in the future under Resolutions 19, 21 and 22 may not exceed a total ceiling of €10,000,000.

In accordance with Resolution 19, the total nominal amount of debt securities that may be issued under Resolutions 19, 21 and 22 may not exceed €10,000,000.

These limits take into account the number of additional securities to be created under the aforementioned delegations of authority, as provided by Article L. 225-135-1 of the French Commercial Code, if Resolution 24 is adopted.

The Board of Directors is responsible for preparing a report in accordance with Article R. 225-113 et seq. of the French Commercial Code. Our role is to express an opinion as to the fair presentation of the quantitative information extracted from the financial statements, on the proposed exclusion of preferential subscription rights, and on certain other information pertaining to these transactions, as presented in this report.

We have performed the procedures that we deemed necessary in light of the professional guidelines of the French National Institute of Statutory Auditors relating to this engagement. Our work consisted in verifying the content of the Board of Directors' report as it relates to these transactions and the methods used to determine the issue price of equity securities to be issued.

Subject to further review of the conditions applicable to these proposed issues, we have no comments as to the procedures used to determine the issue price of equity securities to be issued as set out in the Board of Directors' report in respect of Resolutions 21 and 22.

The report of the Board of Directors calls for the following observation on our part:

This report does not include a justification of the methods used to determine the issue price of the equity securities to be issued within the limit of 10% of the share capital per year as put forward in resolution 23. Consequently, we cannot give our opinion on the methods of issue price calculation.

Furthermore, since this report does not specify how the issue price of equity securities to be issued pursuant to Resolution 19 is to be determined, we are unable to express an opinion as to the choice of elements used to calculate this issue price.

Given that the final conditions of these issues have yet to be determined, we are unable to express an opinion as to either those conditions themselves or, consequently, the proposals set out for your approval in Resolutions 21 and 22 to the effect that preferential subscription rights be withheld.

In accordance with Article R. 225-116 of the French Commercial Code, we will draw up a supplemental report if and when these delegations of authority are used by the Board of Directors to issue securities that are equity securities giving access to other equity securities or granting entitlement to debt securities, other securities giving access to equity securities to be issued, or shares without preferential subscription rights.

The Statutory Auditors
French original signed by

Neuilly-sur-Seine and Paris-La Défense, March 21, 2023

PricewaterhouseCoopers Audit	Mazars
Edouard Sattler Amélie Jeudi de Grissac	Jean-Marc Deslandes Charles Desvernois

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INDEPENDENT VERIFIER'S REPORT ON A SELECTION OF NON-FINANCIAL INFORMATION

Independent Verifier's report on a selection of non-financial information

This is a free translation into English of the Independent Verifier's report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the attention of Executive Management,

Following the request made to us and in our capacity as an Independent Verifier, we hereby present our report containing our limited assurance conclusion on non-financial information relating to the fiscal year ended December 31, 2022 as detailed in Appendix 1 (hereinafter referred to as the "Information"), prepared in accordance with the 2022 non-financial reporting procedures used by the entity (hereinafter referred to as the "Guidelines").

It is also our responsibility to express, at the entity's request, a reasonable assurance opinion that the information selected by the entity and identified by the * sign in Appendix 1 (hereinafter the "Selected Information") has been prepared, in all material respects, in accordance with the Guidelines.

Limited assurance conclusion on the Information

Based on the procedures we implemented, as described in the section entitled "Nature and scope of the work on the Information", and the audit evidence we have obtained, we did not identify any material misstatement that would call into question the fact that the Information is presented, in all material respects, in accordance with the Guidelines.

Reasonable assurance opinion on the Selected Information

In our opinion, the entity's Selected Information has been prepared, in all material respects, in accordance with the Guidelines.

Preparation of the Information

The lack of a generally accepted and commonly used framework or established practice on which to base the assessment and measurement of the Information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

The Information should therefore be read and understood in relation to the Guidelines, the key elements of which are set out in the management report.

Limitations inherent in the preparation of the Information

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Some information is sensitive to methodological choices, assumptions or estimates used in its preparation.

Responsibility of the entity

As part of this voluntary approach, it is the responsibility of the entity to:

- select or define appropriate criteria for the preparation of the Information;
- prepare the Information in accordance with the Guidelines;
- implement such internal control as it determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

Responsibility of the Independent Verifier

It is our role in response to the entity's request, based on our work, to express a limited assurance conclusion that the Information is fairly presented, in all material respects, in accordance with the Guidelines.

As it is our responsibility to reach an independent conclusion regarding the Information as prepared by management, we are not allowed to be involved in the preparation of this Information, as this could compromise our independence.

Nonetheless, it is not our role to give an opinion on the entire management report for the fiscal year ended December 31, 2022, and in particular on the entity's compliance with other applicable legal and regulatory requirements.

Professional guidelines applicable

We conducted the work described below in accordance with ISAE 3000 (revised)⁽¹⁾ and professional standards applicable in France.

Independence and quality control

Our independence is defined by the Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a quality control system (International Standard on Quality Control 1), including documented policies and procedures to ensure compliance with applicable laws and regulations, rules of ethics and professional guidelines.

Means and resources

Our verification work mobilized the skills of eight people and took place between September 2022 and February 2023 for a total duration of intervention of about twenty-two weeks.

Nature and scope of the work on the Information

We planned and carried out our work taking into account the risk of material misstatement of the Information.

We believe that the procedures we conducted, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion:

- We reviewed the business activity of all the entities included in the scope of consolidation.
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate.
- We referred to documentary sources and conducted interviews to corroborate the qualitative information presented in Appendix 1.

- For quantitative information, we 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 the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities listed hereafter: Colas Territoire Sud Est, Colas Hongrie, Colas Maroc, Terus Construction Ltd and Colas Canada, which cover between 22% and 29% of the consolidated data selected for these tests (25% of revenue, 22% of the workforce, 25% of hours worked, 29% of energy consumption).
- We assessed the overall consistency of the non-financial information based on our knowledge of all the entities included in the scope of consolidation.

The procedures implemented as part of a limited assurance engagement are less extensive than those required for a reasonable assurance engagement carried out in accordance with professional guidelines; a higher level of assurance would have required us to carry out more extensive verification work.

Nature and scope of the work on the Selected Information

Concerning the Selected Information chosen by the entity and identified by the * sign in Appendix 1, we carried out work of the same nature as that described in Paragraph 1 above for the key performance indicators and other quantitative results that we considered the most important, but in greater depth, in particular with regard to the scope of the tests.

The selected sample thus represents between 51% and 100% of the Selected Information.

We believe that this work allows us to express a reasonable assurance on the Selected Information.

Paris-La Défense, March 6, 2023

Independent Verifier's Report
French original signed on March 6, 2023

Éric Mugnier
Sustainable Development Partner

(1) ISAE 3000 (revised) – Assurance engagements other than audits or reviews of historical financial information.

APPENDIX 1: VERIFIED INFORMATION

Social Information

Quantitative information (including key performance indicators)	Qualitative indicators (actions or results)
Frequency rate of lost-time work accidents among staff *	Level of progress on the "Health, safety and security" roadmap
Severity rate of employee workplace accidents	
Number of fatal accidents *	Level of progress on the "Attract, develop and retain talent through managerial excellence" roadmap
Total headcount as of December 31, 2022	
Female executives (%) *	
Female members of executive bodies (%) *	
Female managers (%) *	
Female "high-flyer" executives (%) *	

Environmental Information

Quantitative information (including key performance indicators)	Qualitative indicators (actions or results)
Percentage (on a CAE basis) of materials activities managing their environmental impacts	Level of progress on the "Low-carbon and biodiversity" roadmap
Recycled aggregates (%)	Level of progress on the "Reduce the impact of our activities to make them more acceptable" roadmap
Percentage of reclaimed asphalt pavement used in hot and cold mixes *	Level of progress on the "Promote the circular economy" roadmap
Total energy consumption and total energy costs	
Total carbon footprint (Scope 1, 2 and 3a)	
Greenhouse gas emissions from drying per metric ton of mix produced	
Percentage (on a CAE basis) of aggregate production activities that take action to promote biodiversity	

Societal Information

Quantitative information (including key performance indicators)	Qualitative indicators (actions or results)
Percentage (on a CAE basis) of materials production activities with an organization for local dialogue	Level of progress on the "Responsible purchasing" roadmap
	Level of progress on the "Reduce the impact of our activities to make them more acceptable" roadmap
	Level of progress on the "Ethics and compliance" roadmap

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SPECIAL REPORT RELATING TO SHARE SUBSCRIPTION AND/OR PURCHASE OPTIONS GRANTED

to some or all salaried employees
of the Company

Special report relating to share subscription and/or purchase options granted to some or all salaried employees of the Company

Pursuant to Article L. 225-184 of the French Commercial Code, this report informs the Shareholders' Meeting of the transactions carried out under the provisions of Articles L. 225-177 to L. 186 of the French Commercial Code (share subscription and/or purchase options granted to some or all salaried employees of the Company).

Share subscription and/or purchase options granted by the Company

In 2022, the Company was not authorized to set up share subscription and/or purchase option plans for some or all salaried employees of the Company.

Share subscription and/or purchase options granted by affiliated companies

The Bouygues SA Combined Shareholders' Meeting of April 22, 2021, in its twenty-seventh resolution, authorized the Board of Directors to grant, on one or more occasions, options giving the right to subscribe to new shares or purchase existing shares. This authorization was granted for a period of twenty-six months, and recipients of these options must be employees and/or company officers of Bouygues SA or companies in the economic interest groups (GIE) that are directly or indirectly affiliated with it in accordance with Article L. 225-180 of the French Commercial Code.

1. GENERAL INFORMATION: FEATURES OF SHARE SUBSCRIPTION OPTIONS

All share subscription options granted by Bouygues SA (the parent company of Colas) in 2022 have the following characteristics:

- subscription price: Average of the first quoted prices for the twenty trading sessions prior to the grant, not discounted;
- total duration: 10 years beginning on the grant date of the options;
- vesting period: Two years following the grant date of the options;
- exercise period: Eight years beginning at the end of the vesting period (three exceptions for exercise at any time during those ten years: exercise by holder's heirs no later than six months after holder's death; change in control over Bouygues or public offer of purchase [OPA] or exchange [OPE] with respect to Bouygues; exercise pursuant to Article L. 3332-25 of the French Labor Code, using assets acquired under the Group's Company Savings Plan [PEE]);
- automatic cancellation if the holder's employment contract or term of office comes to an end, barring special authorization, incapacitation, resignation or retirement.

2. SHARE SUBSCRIPTION OPTIONS GRANTED OR EXERCISED IN 2022

Options entitling the holders to subscribe for new Bouygues shares were granted in 2022. The exercise price was set at 31.771 euros per subscribed share.

At the time of the grant, pursuant to the method described in the consolidated financial statements, the value of each option was 1.6737 euros.

2.1. Special report relating to share subscription and/or purchase options granted to some or all salaried employees of the Company (Article L. 225-184 of the French Commercial Code) Share subscription options granted to executive company officers in 2022

Executive company officers	Granting company	Grant date	Number of options	Exercise price (in euros)
Frédéric Gardès	Bouygues	06/03/2022	35,000	31.771

2.2. Share subscription options exercised by executive company officers in 2022

Frédéric Gardès, Chairman Chief Executive Officer, did not exercise any share subscription options.

2.3. Breakdown of share subscription options granted by Bouygues SA by plan and by type of recipient

	2022	2021	2020	2019	2018	2017	2016	2015
Date of Bouygues SA Shareholders' Meeting	04/28/2022	04/22/2021	04/25/2019	04/25/2019	04/26/2018	04/27/2017	04/21/2016	04/23/2015
Grant date	06/03/2022	06/02/2021	10/08/2020	05/31/2018	06/01/2018	06/01/2017	05/30/2016	05/28/2015
Number of options granted to persons working at Colas	874,000	853,000	910,000	822,000	817,000	810,000	800,000	800,000
- of which: Executive company officers and salaried Directors ⁽¹⁾	35,000	35,000	80,000	157,000	80,000	80,000	80,000	80,000
Frédéric Gardès	35,000	35,000	80,000	22,000	N/A	N/A	N/A	N/A
- of which: Top ten employee recipients	134,000	133,000	129,500	136,000	130,000	140,000	120,000	120,000
Original exercise price before adjustment	€31.771	€34.157	€30.53	€32.591	€41.57	€37.99	€29.00	€37.106
Earliest exercise date	06/04/2024	06/03/2023	10/09/2022	06/01/2021	06/02/2020	06/02/2019	05/31/2018	05/29/2017
Expiration date	06/03/2032	06/02/2031	10/08/2030	05/31/2029	06/01/2028	06/01/2027	05/30/2026	05/28/2025

(1) There are no salaried directors since 2014.

2.2.4. Share subscription options granted to the top ten employee recipients (other than company officers) who received the most options in fiscal year 2022

	Granting company	Grant date	Number of options	Exercise price (in euros)
Thierry Méline	Bouygues	06/03/2022	22,000	31.770
Éric Haentjens	Bouygues	06/03/2022	17,000	31.770
Amelia Irion	Bouygues	06/03/2022	17,000	31.770
Francis Grass	Bouygues	06/03/2022	12,000	31.770
Hervé Le Joliff	Bouygues	06/03/2022	12,000	31.770
Frédéric Roussel	Bouygues	06/03/2022	12,000	31.770
François Vachon	Bouygues	06/03/2022	12,000	31.770
John Harrington	Bouygues	06/03/2022	12,000	31.770
Valérie Agathon	Bouygues	06/03/2022	10,000	31.770
Emmanuel Rollin	Bouygues	06/03/2022	8,000	31.770
TOTAL			134,000	

2.5. Share subscription options exercised in fiscal year 2022 by the top ten Colas employees who exercised the most options

Employee	Granting company	Plan concerned	Number of options exercised	Exercise price (in euros)
Eric Biguet	Bouygues	May 30, 2016	1,500	29.00
Philippe Daune	Bouygues	May 30, 2016	1,500	29.00
Arnaud Delacote	Bouygues	May 30, 2016	1,500	29.00
Patrick Fournier	Bouygues	May 30, 2016	1,500	29.00
Stéphane Burdin	Bouygues	May 30, 2016	1,000	29.00
Laurent Malolepsza	Bouygues	May 30, 2016	1,000	29.00
Thierry Mertens	Bouygues	May 30, 2016	1,000	29.00
Vivien Pouchout	Bouygues	May 30, 2016	1,000	29.00
Christophe Da-Poian	Bouygues	May 30, 2016	647	29.00
Boris Clément Duverger	Bouygues	May 30, 2016	500	29.00
TOTAL			12,147	

The Board of Directors

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SPECIAL REPORT ON BONUS AWARDS

of existing or new shares to some
or all categories of salaried employees
of the Company

Special report on bonus awards of existing or new shares to some or all categories of salaried employees of the Company

Pursuant to Article L. 225-197-4 of the French Commercial Code, this report informs the Shareholders' Meeting of the transactions performed by virtue of the provisions of Articles L. 225-197-1 to L. 225-197-3 of the French Commercial Code (bonus awards of existing or new shares to some or all categories of salaried employees of the Company).

Bonus shares awarded by the Company

In 2022, the Company was not authorized to set up bonus share award plans for some or all salaried employees of the Company.

Bonus shares awarded by affiliated companies

The Bouygues SA Combined Shareholders' Meeting of April 28, 2022, in its twenty-seventh resolution, authorized the Board of Directors to make, on one or more occasions, bonus awards of existing or new shares. This authorization was granted for a period of twenty-six months, and share recipients must be employees and/or company officers of Bouygues SA or companies of the economic interest groups (GIE) that are affiliated with it within the meaning of Article L. 225-197-2 of the French Commercial Code.

In connection with its 2022 compensation policy, the Company's Combined Shareholders' Meeting on April 26, 2022 approved in principle long-term compensation, for Frédéric Gardès, in the form of a conditional grant of existing Bouygues SA free shares to better align the interests of executive company officers with those of its shareholders.

Frédéric Gardès was conditionally granted up to 20,000 shares subject to the performance conditions calculated over three years with a total value of 181,581 euros at their grant date.

The Board of Directors

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REPORT ON CORPORATE GOVERNANCE

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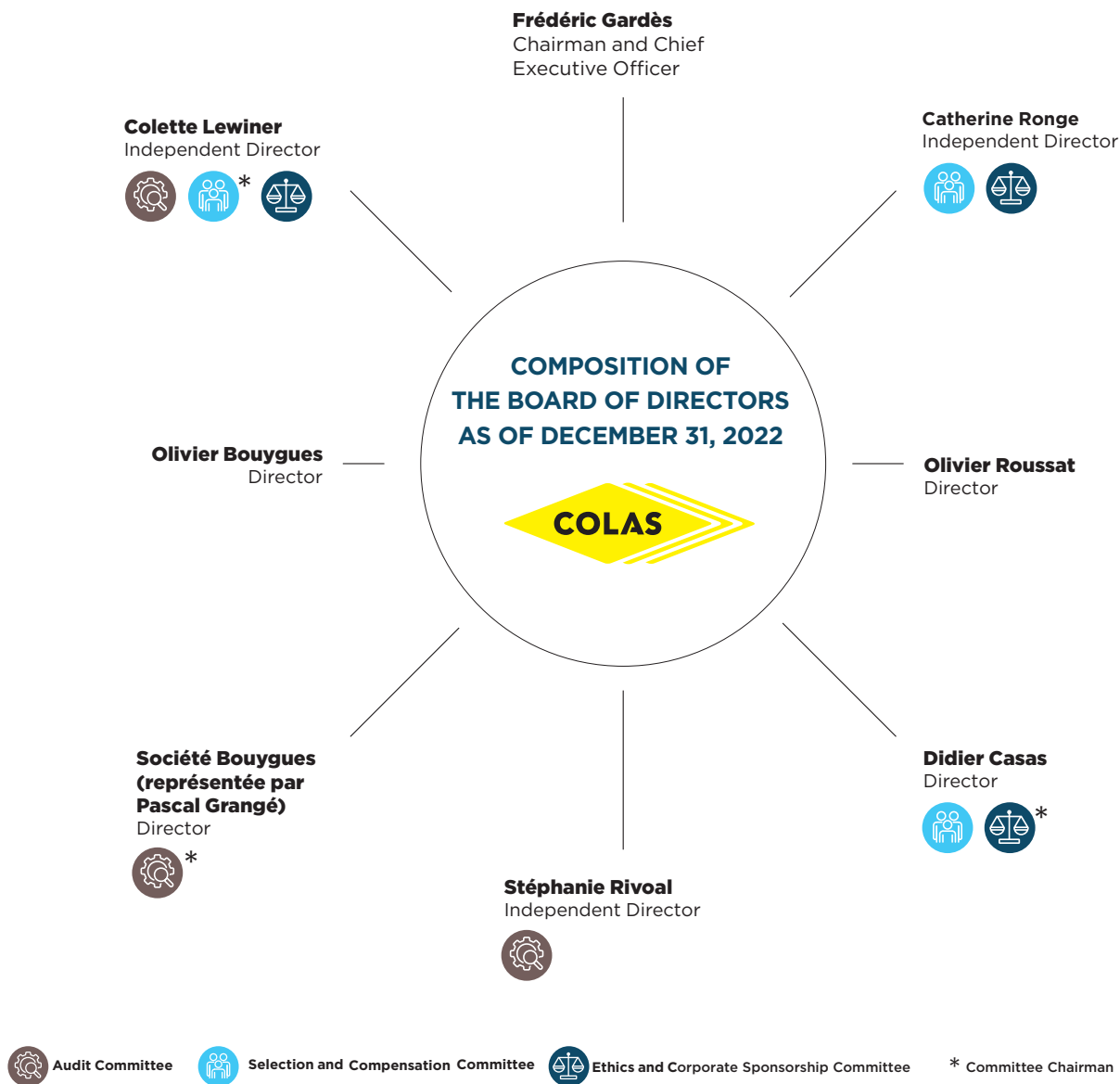
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Report on corporate governance

In accordance with the provisions of Articles L. 225-37-6, L. 225-37-4 and L. 22-10-10 of the French Commercial Code, the Board of Directors has prepared this report on corporate governance as attached to the management report.

1. Governance

1.1. Composition of the Board of Directors as of December 31, 2022



1.1.1. BOARD MEMBERS AS OF DECEMBER 31, 2022

**FRÉDÉRIC GARDÈS**

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Frédéric Gardès is a graduate of the École Centrale de Paris and KTH Royal Institute of Technology in Stockholm. He began his career with the Bouygues group in 1994 as a project engineer at Bouygues Offshore.

From 2002 to 2011, he held a number of management positions at Saipem, heading up major international projects.

In 2011, he joined Colas as Director of the subsidiary GTOI, on Reunion Island. He then took on the role of Regional Manager, Indian Ocean in 2013 before being appointed Deputy General Manager, Northern Europe and Middle East in 2015.

In 2018, he was appointed Managing Director, International (excluding the Americas), Major Projects and Networks.

On May 14, 2019, Frédéric Gardès became Chief Executive Officer of Colas and, on February 16, 2021, Chairman of the Board of Directors.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Colas	SA	Chairman and Chief Executive Officer	1 rue du Colonel Pierre Avia - 75015 Paris, France
Colas Australia Group	Ltd	Director	Unit 2 - 3-5 Gibbon Road - 2153 Winston Hills - NSW, Australia
Colas Canada Inc.	Inc.	Director	4984 place de la Savane, Bureau 150 Montreal, Quebec H4P 2M9, Canada
Colas Inc.	Inc.	Director and Chairman of the Board	73 Headquarters Plaza, North Tower, Tenth Floor - Morristown NJ 07960, United States
Hincol	Ltd	Director	5 H Floor Richardson - Crudas Build Sir JJ Road BY 400008 Mumbai, India
Tipco Asphalt (Tasco)	Ltd	Director	Phayathai, Tipco Tower 118/1, Rama VI Road Samsen Nai, 10400 Bangkok, Thailand
Isco	Ltd	Director and Chairman of the Board	Buyeo-gun - Chungcheongnam-do, South Korea
Fondation Colas	Corporate foundation	Chairman of the Board of Directors	1 rue du Colonel Pierre Avia - 75015 Paris, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Name of company	Type	Office or position in the company	Registered office
Colas Suisse Holding SA	SA	Director	50 route de Satigny - 1242 Satigny, Geneva, Switzerland
Colas Environnement	SA	Director	91 rue de la Folliouse - ZAE de Folliouse, 01700 Miribel les Échets, France
Colas Ltd	Ltd	Chairman of the Board	6210 Bishops Court - Birmingham Business Park, Solihull, Birmingham B37 7YB, United Kingdom
Colas Teoranta	Ltd	Chairman of the Board	Unit G1, Maynooth Business Campus - County Kildare, Maynooth, Ireland
Irish Cold Bitumen	Ltd	Chairman of the Board	76 Ballyhannon Road - Craigavon, Portadown BT63 5SE, Co. Armagh, Ireland
Colas Danmark	A/S	Chairman of the Board	Fabriksparke 40 - DK 2600 Glostrup, Denmark
Ensign Holdings Highways Ltd	Ltd	Director	6210 Bishops Court - Birmingham Business Park, Solihull, Birmingham B37 7YB, United Kingdom
Colas Danmark	A/S	Director	Fabriksparke 40 - DK 2600 Glostrup, Denmark
SBC (Uganda) Ltd	Ltd	Director	6210 Bishops Court - Birmingham Business Park, Solihull, Birmingham B37 7YB, United Kingdom
SBC Highways Ltd	Ltd	Director	Wallage Lane - Rowfant, Crawley, West Sussex RH10 4NF, United Kingdom
Al Zawawi Colas LLC	Limited Liability Company	Director	Muscat Governate - PO Box 314 - North Al Khuwair 130 Bawshar, Oman

Al Futtaim Colas LLC	Ltd	Director	Control Tower Office No. 1801 – Al Hebeiah First Motor City Dubai, United Arab Emirates
Colas (Gabon) UK Ltd	Ltd	Director	Wallage Lane – Rowfant, Crawley (West Sussex) RH10 4NF, United Kingdom
Dust-A-Side International Pty Ltd	Ltd	Director	42 Lebombo Road – Ashlea Garden, Pretoria, 0081, South Africa
Dust-A-Side Holdings (Pty) Ltd	Ltd	Director	42 Lebombo Road – Ashlea Gardens, Pretoria 0081, South Africa
Colas Ltd	Ltd	Director	6210 Bishops Court – Birmingham Business Park, Solihull, Birmingham B37 7YB, United Kingdom
Colas Belgium	SA	Chairman of the Board	Avenue Antoon Van Osslaan 1 – Boite 28A, 1120 Neder-over-Hembeek, Belgium
Colas Ltd	Ltd	Special Director	6210 Bishops Court – Birmingham Business Park, Solihull, Birmingham B37 7YB, United Kingdom
Colas Teoranta	Ltd	Special Director	Unit G1 – Maynooth Business Campus, County Kildare, Maynooth, Ireland
Irish Cold Bitumen	Ltd	Special Director	76 Ballyhannon Road – Craigavon, Portadown BT63 5SE, Co. Armagh, Ireland
Colas Holdings (IOM) Limited	Ltd	Special Director	Rose Hill, Broom House – Malew IM9 3DW, Isle of Man, United Kingdom



CYRIL BOUYGUES
DIRECTOR

Cyril Bouygues is a graduate of the Institut Supérieur de Gestion (ISG) and also holds a Master's in Public Administration from Harvard.

After beginning his career as a works supervisor at Bouygues Construction, he was head of projects at Bouygues Immobilier before joining Investaq Energie (an SCDM subsidiary) in October 2014 to head up its hydrocarbon exploration and production projects.

In October 2016, he was appointed Head of Strategy and Development at SCDM Energy Limited.

He then became Director of Strategy at Heling in July 2021 and was appointed as Heling's Chief Executive Officer on February 1, 2022.

He has served as a Director of Colas since February 22, 2022.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Heling	SAS	Chief Executive Officer	21-25 rue de Balzac – 75008 Paris, France
Bouygues Immobilier	SAS	Member of the Board of Directors	3 boulevard Gallieni – 92130 Issy-les-Moulineaux, France
Perinti	Ltd	Director	Cannon Place – 78 Cannon Street, London, United Kingdom
Be Brilliant	Philanthropic endowment fund	Founder	10 rue de Penthièvre – 75008 Paris, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Name of company	Type	Office or position in the company	Registered office
Bouygues	SA	Permanent representative of SCDM Participations, Director	32 avenue Hoche – 75008 Paris, France
Be Brilliant	Philanthropic endowment fund	Founder	10 rue de Penthièvre – 75008 Paris, France
Fondations Saint Laurent – Jardin Majorelle	Foundation	Director	5 avenue Marceau – 75116 Paris, France

BOUYGUES SA**DIRECTOR****OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022**

Name of company	Type	Office or position in the company	Registered office
Bouygues Telecom	SA	Director	37-39 rue Boissière – 75116 Paris, France
Bouygues Construction	SA	Director	1 avenue Eugène Freyssinet – 78280 Guyancourt, France
Bouygues Immobilier	SA	Member of the Board of Directors	3 boulevard Gallieni – 92130 Issy-les-Moulineaux, France
Télévision Française 1 (TF1)	SA	Director	1 quai du Point du Jour – 92100 Boulogne-Billancourt, France
Colas	SA	Director	1 rue du Colonel Pierre Avia – 75015 Paris, France
32 Hoche	GIE	Director	32 avenue Hoche – 75008 Paris, France
GIE Registrar	GIE	Member of the Board of Directors	4 rue des Chauffours – 95014 Cergy-Pontoise, France
Intrapreneuriat Bouygues	GIE	Director	24 avenue Hoche – 75008 Paris, France
Organisme gestionnaire du Centre Gustave Eiffel	Non profit	Member of the Board of Directors	28 route de Longjumeau – 91385 Chilly-Mazarin, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Alstom	SA	Director	3 avenue André Malraux – 92300 Levallois-Perret, France
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**PASCAL GRANGÉ****PERMANENT REPRESENTATIVE OF BOUYGUES SA, DIRECTOR**

Pascal Grangé has master's degrees in management and law and a DESS postgraduate degree in finance. He joined the Bouygues group in 1986 as Head of Finance at Dragages et Travaux Publics. He moved on to the Bouygues group's international Finance Department in 1987 before joining Screg in 1995 as Chief Financial Officer and subsequently serving as Chief Financial Officer of Stereau and Saur France. He was appointed Chief Financial Officer of the Saur group in 2000. In 2003, he joined Bouygues Construction as Chief Financial Officer before being promoted to Deputy Chief Executive Officer in 2008. In March 2015, he was appointed Deputy Chief Executive Officer with responsibility for Strategy and Finance, Information Systems, Concessions and Real Estate Development Strategy. In October 2019, he was appointed Deputy Chief Executive Officer and Chief Financial Officer of Bouygues group. In February 2021, he became Deputy Chief Executive Officer of Bouygues and remained Head of Finance. He was appointed as the permanent representative of Bouygues SA on the Company's Board of Directors on February 18, 2020.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Bouygues	SA	Deputy Chief Executive Officer	32 avenue Hoche – 75008 Paris, France
Bouygues Telecom	SA	Permanent representative of Bouygues – Director	37-39 rue Boissière – 75116 Paris, France
Télévision Française 1 (TF1)	SA	Permanent representative of Bouygues – Director	1 quai du Point du Jour – 92100 Boulogne-Billancourt, France
Colas	SA	Permanent representative of Bouygues – Director	1 rue du Colonel Pierre Avia – 75015 Paris, France
Bouygues Immobilier	SAS	Permanent representative of Bouygues – Member of the Board of Directors	3 boulevard Gallieni – 92130 Issy-les-Moulineaux, France
Bouygues Construction	SA	Permanent representative of Bouygues – Director	1 avenue Eugène Freyssinet – 78280 Guyancourt, France
Uniservice	SA	Chairman and Director	3 rue du Conseil Général – 1203 Geneva, Switzerland
Equans	SAS	Director	49-51 rue Louis Blanc – 92400 Courbevoie, France
Bouygues Europe	Belgian SA	Director	52 avenue Cortenbergh – 1000 Brussels, Belgium

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Name of company	Type	Office or position in the company	Registered office
Bouygues Construction	SA	Director	1 avenue Eugène Freyssinet – 78280 Guyancourt, France
Bouygues Construction	SA	Deputy Chief Executive Officer	1 avenue Eugène Freyssinet – 78280 Guyancourt, France
Bouygues Europe	SA	Chairman of the Board of Directors	52 avenue Cortenbergh – 1000 Brussels, Belgium
Alstom	SA	Permanent representative of Bouygues – Director	3 avenue André Malraux – 92300 Levallois-Perret, France



COLETTE LEWINER
INDEPENDENT DIRECTOR

A graduate of the École Normale Supérieure and an agrégée in physics, having also earned a PhD in this field, Colette Lewiner began her career as a researcher and professor at Université de Paris VII.

In 1979, she joined EDF, initially working in R&D before taking on responsibility for purchases of fuel oil and uranium.

She was named head of the Fuel Procurement Department in 1987.

In 1989, she created EDF's Development and Commercial Strategy Division and became the first woman to be named Executive Vice President by the company.

In 1992, she was appointed Chairman and Chief Executive Officer of SGN Eurisys, an engineering subsidiary of Cogema.

In 1998, she moved to Capgemini where, after heading the Energy, Utilities and Chemicals segment, she became an advisor to the Chairman of Capgemini on energy and utilities.

From 2010 to 2015, she was Non-Executive Chairman of the French broadcasting company TDF.

From 2008 to 2012, she was a member of the European Union Advisory Group on Energy.

From 2013 to 2017, Colette Lewiner was a member of the Conseil Stratégique de la Recherche (CSR), a committee set up by the French government to offer advice on its research and innovation strategy.

She has served as a Director of Colas since February 28, 2011.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Colas	SA	Independent Director	1 rue du Colonel Pierre Avia - 75015 Paris, France
Capgemini	SA	Advisor to the Chairman on Energy and Utilities	145 quai du Président Roosevelt 92130 Issy-les-Moulineaux, France
EDF	SA	Independent Director	22-30 avenue de Wagram - 75008 Paris, France
Getlink	SE	Independent Director	3 rue de la Boétie - 75008 Paris, France
Bouygues	SA	Independent Director (until April 28, 2022)	32 avenue Hoche - 75008 Paris, France
CGG	SA	Independent Director	27 avenue Carnot - 91300 Massy, France
Equans	SAS	Director	49-51 rue Louis Blanc - 92400 Courbevoie, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Name of company	Type	Office or position in the company	Registered office
Nexans	SA	Director	4 allée de l'Arche - 92400 Courbevoie, France
Ingenico	SA	Director	28 boulevard de Grenelle - 75015 Paris, France

**STÉPHANIE RIVOAL****INDEPENDENT DIRECTOR**

As a graduate of the ESSEC business school (1990-1993), she began her career as an investment analyst working for Goldman Sachs in London between 1993 and 1994. After a decade in investment banking, including as Senior Vice-President of JPMorgan Chase in London, she decided to leave finance in 2003 to devote herself full-time to photography, one of her lifelong passions.

Some of her photos have been used to illustrate various books about Paris and London.

Two years later, she became involved with the Action Contre la Faim (ACF, Action Against Hunger) charity and was sent on an assignment as a coordinator to Darfur.

This life-changing experience prompted her to publish her first work entitled Darfur, a collection of text and photography.

Stéphanie has been a member of ACF's Board of Directors since 2007, initially as treasurer, then Vice-President, before being appointed as chairwoman in 2013.

In 2015, she was also made Chevalier de l'Ordre de la Légion d'honneur, an honor awarded in recognition of her 21 years of service and her unstinting commitment to humanitarian causes.

In 2016, she was named as France's ambassador to Uganda, before serving as Secretary General at the Africa-France summit.

She has served as a Director of Colas since April 20, 2021.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Colas	SA	Independent Director	1 rue du Colonel Pierre Avia - 75015 Paris, France
Meridiam	SAS, Entreprise à Mission	Member of the Supervisory Board	4 place de l'Opéra - 75002 Paris, France
Duval group	SAS	Chair of Africa Strategy Board	45 avenue Georges Mandel - 75116 Paris, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

None



CATHERINE RONGE

INDEPENDENT DIRECTOR

A graduate of the École Normale Supérieure, Catherine Ronge is an agrégée in physics and holds a PhD in quantum physics from Institut Européen d'Administration des Affaires (INSEAD).

She began her career in 1984 as a research engineer at the French Atomic Energy Commission (CEA).

In 1988 she joined Air Liquide, where she served first as a Research Center Team Manager and then as a Sales Manager for microelectronics in Europe, before being named Strategic Marketing Manager, reporting to Executive Management, and then Vice President, R&D and Innovation.

From 1999 to 2006 she served as Executive Vice President of Degrémont (equipment and construction for industry in Europe and North America), before serving as Chairman and Chief Executive Officer of Ondeo Industrial Solutions (engineering, equipment, services and operations for industry in Europe, Asia and North America).

In 2006 she founded Weave Air, a consulting firm specialized in sustainable development and innovation, and served as its President until 2020.

Catherine Ronge is currently the chair and CEO of Le Garrec & Cie, a mid-sized family-owned group, and is also the chair of Inneva.

She has also served as a Director of Paprec since 2014, of Eramet since 2016 and of GTT since 2022.

She has served as a Director of Colas since August 27, 2014.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Colas	SA	Independent Director	1 rue du Colonel Pierre Avia - 75015 Paris, France
Eramet	SA	Director	10 boulevard de Grenelle - 75015 Paris, France
GTT	SA	Director	1 route de Versailles - 78470 Saint-Rémy-lès-Chevreuse, France
Le Garrec & Cie	SA	Chairman and Chief Executive Officer	84B boulevard Chanzy - 62200 Boulogne-sur-Mer, France
Inneva	SAS	Chairman	3 rue de Chaillot - 75116 Paris, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Name of company	Type	Office or position in the company	Registered office
Weave Air	SASU	Chairman	Company liquidated
Paprec Holding	SA	Director	7 rue du Docteur Lancereaux - 75008 Paris, France

**OLIVIER ROUSSAT****DIRECTOR**

Olivier Roussat is a graduate of Institut National des Sciences Appliquées (INSA) Lyon.

He began his career in 1988 at IBM, where he held various positions in data network services, service delivery and pre-sales. He joined Bouygues Telecom in 1995 to set up the network and business process monitoring and control center for the Network Operations division.

He then was appointed to lead this division, and subsequently headed up telecoms and IT service delivery activities.

Olivier Roussat was appointed Chief Network Officer in May 2003 and became a member of Bouygues Telecom's Executive Management Committee.

In January 2007, he took charge of the Performance and Technology business unit, which brings together all of Bouygues Telecom's cross-business technical and IT divisions, including Network Operations, Information Systems, Process Engineering, Purchasing, Corporate Services and Real Estate.

Olivier Roussat became Deputy Chief Executive Officer of Bouygues Telecom in February 2007 and was appointed its Chief Executive Officer in November 2007. He served as Chairman and Chief Executive Officer of Bouygues Telecom from May 2013 to November 2018, then as Chairman of the Board of Directors until February 2022.

He was appointed Deputy Chief Executive Officer of Bouygues in August 2016, and then became Chief Executive Officer in February 2021.

He has served as a Director of the Company since February 19, 2019 and served as Chairman of the Company's Board of Directors from October 1, 2019 to February 16, 2021.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Colas	SA	Director	1 rue du Colonel Pierre Avia - 75015 Paris, France
Bouygues	SA	Chief Executive Officer	32 avenue Hoche - 75008 Paris, France
Bouygues Telecom	SA	Director	37-39 rue Boissière - 75116 Paris, France
Télévision Française 1 (TF1)	SA	Director	1 quai du Point du Jour - 92100 Boulogne-Billancourt, France
Bouygues Construction	SA	Director	1 avenue Eugène Freyssinet - 78280 Guyancourt, France
Bouygues Immobilier	SAS	Member of the Board of Directors	3 boulevard Gallieni - 92130 Issy-les-Moulineaux, France
Capgemini	SE with Board	Director	Place de l'Etoile - 11 rue de Tilsitt - 75017 Paris, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Name of company	Type	Office or position in the company	Registered office
Colas	SA	Chairman of the Board of Directors	1 rue du Colonel Pierre Avia - 75015 Paris, France
Bouygues Telecom	SA	Chief Executive Officer	37-39 rue Boissière - 75116 Paris, France
Bouygues Telecom	SA	Chairman of the Board of Directors	37-39 rue Boissière - 75116 Paris, France



DIDIER CASAS

DIRECTOR

Didier Casas graduated from IEP (Institute of Political Studies) in Grenoble in 1992, obtained a DEA (diploma of advanced studies) in law in 1993, and studied at the École Nationale d'Administration (ENA) from 1996 to 1998.

He began his career in 1994 as a parliamentary assistant before becoming an auditor at the Conseil d'Etat (France's highest administrative court) in 1998 upon graduating from ENA, later becoming "Master of Requests" (Maître des requêtes).

He was government commissioner on the litigation section (Assemblée du contentieux) and other decision-making bodies at the Conseil d'Etat between 2004 and 2007, before joining the Management Committee of Dexia Crédit Local the following year as General Secretary.

He joined Bouygues Telecom as General Counsel on March 1, 2011, and was promoted to Executive Vice President in 2016. Didier Casas has served as President of the French Telecoms Federation for two terms, from May 2015 to June 2016 and from March 2018 to May 2019.

Didier Casas was part of Emmanuel Macron's campaign team from February to May 2017, after which he returned to his position at Bouygues Telecom. He joined the TF1 group as General Counsel on November 1, 2020.

Didier Casas was appointed Bouygues group General Counsel on October 10, 2022, becoming a member of the Group's Executive Committee.

He was co-opted as a Director of the Company on November 15, 2022, replacing Arnauld Van Eeckhout.

OFFICES OR POSITIONS HELD IN ALL COMPANIES DURING FISCAL YEAR 2022

Name of company	Type	Office or position in the company	Registered office
Bouygues Immobilier	SAS	Member of the Board of Directors	Galeo - 3 boulevard Gallieni - 92130 Issy-les-Moulineaux, France
Colas	SA	Director	1 rue du Colonel Pierre Avia - 75015 Paris, France
Bouygues Europe	Belgian SA	Director	52 avenue Cortenbergh - 1000 Brussels, Belgium
Bouygues Construction	SA	Advisory Board member	1 avenue Eugène Freyssinet - 78280 Guyancourt, France
Equans	SAS	Advisory Board member	49-51 rue Louis Blanc - 92400 Courbevoie, France
Bouygues Telecom	SA	Advisory Board member	37-39 rue Boissière - 75116 Paris, France

OFFICES OR POSITIONS EXPIRED IN THE LAST FIVE YEARS

Name of company	Type	Office or position in the company	Registered office
TMC	SAS	Director	1 quai du Point du Jour - 92100 Boulogne-Billancourt, France

1.1.2. DETAILS OF THE COMPOSITION OF THE BOARD OF DIRECTORS
AND ITS COMMITTEES AS OF DECEMBER 31, 2022

Name of Director	Personal information				Experience	Board position and tenure				Membership of Board committees		
	Age	Gender	Nationality	Number of shares held as of December 31, 2022	Number of offices or positions held in listed companies	Independence	First appointed	Term of office ends	Number of years on the Board	Audit Committee	Selection and Compensation Committee	Ethics and Corporate Sponsorship Committee
EXECUTIVE COMPANY OFFICER/DIRECTOR												
Frédéric Gardès <i>Chairman and Chief Executive Officer</i>	51	M	Fr	0	1		May 14, 2019 (Chief Executive Officer) February 16, 2021 (Director and Chairman of the Board of Directors)	2023 SM	1			
DIRECTORS												
Colette Lewiner	77	F	Fr	0	6	◉	February 28, 2011	2023 SM	11	◉	★	◉
Stéphanie Rivoal	51	F	Fr	0	1	◉	April 20, 2021	2023 SM	1	◉		
Catherine Ronge	61	F	Fr	0	2	◉	August 27, 2014	2024 SM	8		◉	◉
Cyril Bouygues	37	M	Fr	0	1		February 22, 2022	2023 SM	0			
Bouygues SA	/	/	Fr	31,611,646	3		April 16, 1986	2023 SM	36	★		
Represented by Pascal Grangé	61	M	Fr	0			February 18, 2020		3			
Olivier Roussat	59	M	Fr	0	3		February 19, 2019	2023 SM	4			
Didier Casas	52	M	Fr	0	1		November 15, 2022	2024 SM*	0		◉	★

* Co-option submitted for ratification at the 2023 Shareholders' Meeting.

★ Chairman

1.1.3. CHANGES IN THE COMPOSITION OF THE BOARD SINCE THE LAST SHAREHOLDERS' MEETING

The table below summarizes all the changes having occurred in the composition of the Board and its committees since the last Shareholders' Meeting.

	Departure	Appointment	Renewal of term of office
Chairman and Chief Executive Officer	/	/	/
	Olivier Bouygues Term of office ends: February 22, 2022	Cyril Bouygues Term of office ends: 2023 SM	/
	/	/	Catherine Ronge Term of office ends: 2024 SM
Directors	/	/	Arnauld Van Eeckhout Term of office ends: 2024 SM (resigned on October 17, 2022)
	Arnauld Van Eeckhout Term of office ends: October 17, 2022	Didier Casas Term of office ends: 2024 Shareholders' Meeting (subject to his co-option being ratified at the 2023 SM)	/
Advisory Board member	/	/	/
Audit Committee	/	/	/
	/	/	Catherine Ronge End of term on the Committee: 2024 SM
Selection and Compensation Committee	/	/	Arnauld Van Eeckhout End of term on the Committee: 2024 SM (resigned on October 17, 2022)
	Arnauld Van Eeckhout End of term on the Committee: 2024 SM	Didier Casas Term of office ends: 2024 Shareholders' Meeting (subject to his co-option being ratified at the 2023 SM)	/
	/	/	Catherine Ronge End of term on the Committee: 2024 SM
Ethics and Corporate Sponsorship Committee	/	/	Arnauld Van Eeckhout End of term on the Committee: 2024 SM (resigned on October 17, 2022)
	Arnauld Van Eeckhout End of term on the Committee: 2024 SM	Didier Casas Term of office ends: 2024 Shareholders' Meeting (subject to his co-option being ratified at the 2023 SM)	/

1.1.4. RESOLUTIONS CONCERNING BOARD MEMBERSHIP SUBMITTED TO THE SHAREHOLDERS' MEETING

A proposal will be submitted to the Shareholders' Meeting of April 25, 2023 recommending:

- the ratification of the co-option of Didier Casas as Director on November 15, 2022, to replace Arnaud Van Eeckhout for the remainder of the latter's term, which expires at the close of the Shareholders' Meeting called in 2024 to approve the financial statements for fiscal year 2023;
- the renewal of Frédéric Gardès' term of office as Director for a period of three years;
- the renewal of Bouygues SA's term of office as Director for a period of three years;
- the renewal of Olivier Roussat's term of office as Director for a period of three years;
- the renewal of Cyril Bouygues' term of office as Director for a period of three years;

- the renewal of Colette Lewiner's term of office as Independent Director for a period of three years;
- the appointment of Anne-Christine Champion as Independent Director for a period of three years to replace Stéphanie Rivoal.

If these resolutions are approved at the Shareholders' Meeting of April 25, 2023, the Board of Directors will then have the following members:

- Frédéric Gardès, Chairman and Chief Executive Officer;
- Cyril Bouygues, Director;
- Bouygues SA with Pascal Grangé as permanent representative, Director;
- Didier Casas, Director;
- Olivier Roussat, Director;
- Colette Lewiner, Independent Director;
- Catherine Ronge, Independent Director;
- Anne-Christine Champion, Independent Director.

1.2. Executive Management

1.2.1. EXECUTIVE MANAGEMENT ARRANGEMENTS

The Board of Directors has decided to combine the roles of Chairman of the Board of Directors and Chief Executive Officer.

This is the historic mode of governance adopted within the Company and has proven itself effective by facilitating rapid decision making and creating greater cohesion within the Company. This allows for a simpler decision-making process and makes the Company more responsive.

1.2.2. AGE LIMIT FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The age limit for serving as Chairman and Chief Executive Officer is set as the day after the Shareholders' Meeting to approve the annual financial statements for the fiscal year in which the Chairman and Chief Executive Officer reaches the age of 67. When the Chairman and Chief Executive Officer turns 65, his/her appointment may continue for a maximum of one year, subject to confirmation by the Board of Directors at its next meeting. The Chief Executive Officer's appointment may then be renewed for a second period ending no later than the date of the Shareholders' Meeting to approve the annual financial statements for the fiscal year in which the Chairman and Chief Executive Officer reaches the age of 67.

1.2.3. LIMITATIONS PLACED BY THE BOARD OF DIRECTORS ON THE POWERS OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman and Chief Executive Officer shall be vested with the broadest powers to act in any event on the Company's behalf. He/she shall exercise those powers within the confines of the Company's corporate purpose and subject to powers expressly granted by law to Shareholders' Meetings or to the Board of Directors (see Article 20.2 of the Company's bylaws).

1.2.4. COMMITTEES REPORTING TO EXECUTIVE MANAGEMENT

The Chairman and Chief Executive Officer was assisted in the performance of his duties during fiscal year 2022 by two management bodies:

- a **Strategy Committee**, which reviews and validates all major decisions throughout the Group, composed in 2022 of the following members:
 - Frédéric Gardès, Chairman and Chief Executive Officer of the Company,
 - Éric Haentjens, CFO & CAO,
 - Thierry Méline, Executive Vice President, France & Indian Ocean,
 - Francis Grass, Executive Vice President, EMEA/LATAM, Water & Energy Transport,
 - Amelia Irion, Group Vice President, Human Resources;
- an **Executive Management Committee**, which coordinates between the headquarters teams and those in the subsidiaries, in line with the Group's decentralized management model, composed in 2022 of the following members:
 - the aforementioned members of the Strategy Committee,

- Benoît Chauvin, Group Vice President, Business Development,
- Christophe Da-Poïan, Group Vice President, Equipment, Procurement and Materials,
- John Harrington, Executive Vice President, United States,
- Hervé Le Joliff, Executive Vice President, Colas Rail,
- Delphine Lombard, Vice President, Communications & Brand,

- Fabrice Monnaert, Group Vice President, Major Projects,
- Jacques Pastor, Executive Vice President, Asia/Pacific,
- Emmanuel Rollin, Group General Counsel and Chief Compliance Officer,
- Frédéric Roussel, Executive Vice President, Asia/Pacific,
- Bernard Sala, Group Vice President, Innovation & Sustainability,
- François Vachon, Executive Vice President, Canada.

1.3. Board of Directors

1.3.1. GENERAL RULES RELATING TO THE COMPOSITION OF THE BOARD OF DIRECTORS

Composition of the Board of Directors

The appointment and dismissal of members of the Board of Directors are subject to the legal requirements and requirements under the bylaws mentioned in Articles 13 to 15 of the Company's bylaws.

It is stipulated therein that the Company is to be administered by a Board of Directors comprising at least three and no more than 18 members, unless otherwise provided by law.

The bylaws do not require Directors to hold a minimum number of shares. However, given the Company's capital structure (96.81% owned by Bouygues SA), the Board's internal rules recommend that each Director hold at least one share.

Directors are appointed for a term of two years by resolution at an Ordinary Shareholders' Meeting, on the basis of a proposal submitted by the Board of Directors after consulting with the Selection and Compensation Committee. It is put forward to the Shareholders' Meeting of April 25, 2023 to modify the duration of the term of Directors from two to three years, and consequently, to modify Article 14 of the Company's bylaws.

Since employees of the Company and of its affiliates as defined in Article L. 225-180 of the French Commercial Code

together hold shares accounting for less than 3% of the Company's share capital, in accordance with the provisions of Article L. 225-23 of the French Commercial Code the Company is not subject to the requirement to appoint one or more Directors representing employee shareholders.

Furthermore, as a subsidiary of Bouygues SA that is itself required to designate Directors representing the employees and in full compliance with this requirement, the Company is exempt, pursuant to Article L. 225-27-1 of the French Commercial Code, from the requirement to designate one or more Directors representing the employees.

Two representatives from the Company's Economic and Social Committee attend the meetings of the Board of Directors in an advisory capacity.

In accordance with the provisions of Article 23 of the Company's bylaws, on the basis of a proposal submitted by the Board of Directors, a resolution or resolutions may be put to the shareholders at the Ordinary Shareholders' Meeting to appoint one or more Advisory Board members. The term of office of Advisory Board members is two years. Advisory Board members are responsible for ensuring that the bylaws are strictly applied and attend Board Meeting in an advisory capacity.

Independence of Directors

At its meeting of February 21, 2023 and as recommended by the Afep-Medef Code, the Board of Directors evaluated the situation of each of its members, after consulting with the Selection and Compensation Committee, in line with the eight independence criteria set out in the Afep-Medef Code.

Criterion 1 Employee or company officer over the last five years	Not having been at any time over the last five years: (i) an employee or executive company officer of Colas; (ii) an employee, executive company officer or Director of any company consolidated by Colas; (iii) an employee, executive company officer or Director of the parent company of Colas or of any other entity consolidated by this parent company.
Criterion 2 Cross-directorships	Not having been an executive company officer of an entity in which Colas serves, either directly or indirectly, as Director or in which an employee designated as such or an executive company officer of Colas currently serves or has served at any time over the last five years as Director.
Criterion 3 Significant business relationships	Not being (or not having direct or indirect ties to) a customer, supplier, investment banker, merchant banker or consultant: (i) that is material for Colas or the Colas Group; (ii) for which Colas or its Group of companies represents a significant part of its business.
Criterion 4 Family ties	Having no close family ties with a company officer.
Criterion 5 Statutory Auditors	Not having acted as Statutory Auditor for Colas at any time over the last five years.
Criterion 6 Service as company officer for more than 12 years	Not having served as a Director of Colas for more than 12 years.
Criterion 7 Status of non-executive company officer	A non-executive company officer cannot be considered independent if he or she is eligible to receive variable compensation in cash or shares or any performance-linked compensation from Colas or the Colas Group.
Criterion 8 Status of major shareholders	Directors representing major shareholders of Colas or its parent company may be considered independent if these shareholders do not hold controlling interests in Bouygues. However, in excess of the threshold of 10% of share capital or voting rights, the Board, after consulting with the Selection and Compensation Committee, systematically examines the independence determination, taking the composition of Colas' share capital into account and the existence of potential conflicts of interest.

Name	Criteria								Determination by the Board
	1	2	3	4	5	6	7	8	
Executive company officer									
Frédéric Gardès <i>Chairman and Chief Executive Officer</i>			○	○	○	○			Not independent
Director									
Colette Lewiner		○	○	○	○		○	○	Independent
Stéphanie Rivoal	○	○	○	○	○	○	○	○	Independent
Catherine Ronge	○	○	○	○	○	○	○	○	Independent
Cyril Bouygues		○			○	○			Not independent
Bouygues SA with Pascal Grangé as permanent representative		○			○				Not independent
Olivier Roussat		○		○	○	○			Not independent
Didier Casas ⁽¹⁾		○		○	○	○			Not independent

○ Indicates that the Director satisfies the specified criterion for independence.

(1) Co-opted as a Director to replace Arnaud Van Eeckhout on November 15, 2022; the ratification of his appointment as Director will be proposed at the Shareholders' Meeting of April 25, 2023.

With respect to Criterion 3 (Significant Business Relationships), the Board made certain that none of the Directors likely to be considered independent was, or had direct or indirect ties with, a significant customer, supplier or banker of Colas or of any other entity within the Colas Group.

Drawing on the work carried out by the Selection and Compensation Committee, it examined the existing business relationships between Colas Group companies and the companies within which certain Directors hold positions or offices, on a case-by-case basis.

In accordance with the recommendations of the AMF and of the HCGE (French High Committee on corporate governance), the Board adopted a multi-criteria approach to assess the significant nature of each business relationship, with an emphasis on qualitative analysis. To this end, it took into account all of the following criteria:

Qualitative criteria:

- importance of the business relationship for each of the entities concerned (possible economic dependence between the parties, scale of operations, specificities of certain markets, direct interest of the legal entity concerned in the business relationship);
- organization of the relationship, and in particular the position of the Director concerned in the contracting company (length of service, existence of an operational function in the entity concerned, direct decision-making authority over contracts, direct interest of the Director or compensation received in connection with contracts, etc.).

In this respect, the Board referred in particular to the definition provided by the compliance program relating to conflicts of interest:

“A conflict of interest exists whenever the personal interests of a Group employee, senior executive or company officer are inconsistent with or in competition with the interests of the Group company within which this individual pursues his or her professional activities. The notion of personal interests must be understood in the broadest sense of the term. They may involve the individual’s direct interests (whether material or non-material), but also those of his or her family members or others with whom she or he has a close direct or indirect personal relationship.”

Quantitative criteria:

- revenue generated, if applicable, by Colas Group entities with entities of the group of companies with which the Director has ties, comparing this revenue figure with that of the Colas Group;
- volume of purchases made, if applicable, by the entities of the Colas Group from entities of the group of companies with which the Director has ties, comparing this volume with the total volume of purchases made by the Bouygues group.

Based on these various criteria, the Selection and Compensation Committee provided the following information to the Board.

Colette Lewiner	Colette Lewiner has served on the boards of Bouygues and Colas, as well as Getlink (previously Eurotunnel) since 2011, EDF since 2014, and CGG since 2018. In addition, she serves as advisor to the Chairman of Capgemini, a company where she has spent a large part of her career. The Selection and Compensation Committee has determined that Colette Lewiner meets the independence criteria.
Catherine Ronge	Apart from serving on the Colas Board of Directors, Catherine Ronge is President and Chief Executive Officer of Le Garrec et Cie, President of Inneva and Director of Paprec Holding, GTT and of Eramet. The Selection and Compensation Committee has determined that Catherine Ronge meets the independence criteria.
Stéphanie Rivoal	As well as serving on Colas’ Board of Directors, Stéphanie Rivoal is a member of the Supervisory Board of Meridiam and Chair of the Duval group’s Africa Strategy Board. The Selection and Compensation Committee has determined that Stéphanie Rivoal meets the independence criteria.

On the basis of this information, the Board considers that the aforementioned business relationships are not significant enough to create conflicts of interest or put into question the independence of these Directors. In any event, if a transaction involving any of the entities concerned were to be examined by the Board, the Director in question would abstain from taking part in the discussions and the vote.

Pursuant to the provisions of Article 10.3 of the Afep-Medef Code, the Board of Directors must comprise at least:

- for controlled companies, within the meaning of Article L. 233-3 of the French Commercial Code, at least one-third of Board members must be independent;
- for companies with dispersed ownership and lacking controlling shareholders, at least 50% of Board members must be independent.

In accordance with the requirements of the Afep-Medef Code, 37.5% of the Company’s Directors are independent (the Company being controlled by Bouygues SA).

Diversity policy for the Board of Directors

The Board aims for balance in its composition, with an emphasis on qualifications and professional experience.

The Selection and Compensation Committee also takes this objective into account when examining any proposal for the

appointment of a Director or executive company officer, and when choosing members to serve on Board committees.

At December 31, 2022:

- the average age of the Company’s Directors is 56;
- the average tenure of the Company’s Directors is 3.5 years;
- the Board is made up of three women and five men (in accordance with the provisions of Article L. 225-18-1 of the French Commercial Code).

1.3.2. ORGANIZATION AND PROCEDURES OF THE BOARD OF DIRECTORS

Applicable rules

The procedures of the Board of Directors are laid down by law and regulations, the Company’s bylaws, and the Board’s internal rules.

The Board’s aforementioned internal rules include the following:

- the Code of Ethics for Colas Directors and Advisory Board members; and
- the internal rules and regulations of Board committees.

The full text of the internal rules and regulations can be downloaded from the Company's website (www.colas.com), under "Group" and then "Corporate Governance".

Meetings

The Board of Directors meets at least five times each year to transact ordinary business (in January, February, May, August and November):

- in January, it reviews the three-year business plan and risk mapping;
- in February, it approves the financial statements for the previous fiscal year;
- in May, it approves the financial statements to March 31;

- in August, it approves the financial statements to June 30;
- in November, it approves the financial statements to September 30.

Other Board Meeting are held as and when the Group's business so requires.

The Statutory Auditors are invited to attend all Board Meeting at which the annual or interim financial statements are reviewed.

Individuals not sitting on the Board may be invited to attend Board Meeting in whole or in part, whether or not they belong to the Colas Group.

The Board of Directors met six times during fiscal year 2022.

January 14, 2022	<ol style="list-style-type: none"> 1. Approval of the minutes of the meeting of the Board of Directors held on November 9, 2021 2. 2022-2024 business plan 3. Risk mapping 4. Sureties, endorsements and guarantees 5. Regulated agreements <ol style="list-style-type: none"> 5.1. Regulated agreement for which authorization is requested 5.2. Agreements entered into and authorized during previous fiscal years and remaining in force during the last fiscal year 5.3. Procedure adopted to assess routine and regulated agreements 6. Any other business
February 22, 2022	<ol style="list-style-type: none"> 1. Approval of the minutes of the Meeting of the Board of Directors held on January 14, 2022 2. Position of the Company and the Group 3. Review and approval of the financial statements for fiscal year 2021 (consolidated financial statements and parent company financial statements) 4. Proposed appropriation and distribution of earnings 5. Review and approval of management forecasts and reports on those forecasts 6. Definition of strategic goals 7. Annual decision about Company policy on gender equality and equal pay 8. Policy on gender equality within executive bodies 9. Governance <ol style="list-style-type: none"> 9.1. Self-evaluation of the Board of Directors 9.2. Term of office of Directors 9.3. Composition of Board committees 9.4. Review of Directors' independence 9.5. Self-evaluation of the Board of Directors 10. Senior executive compensation <ol style="list-style-type: none"> 10.1. Compensation and benefits paid or awarded to company officers during or in respect of fiscal year 2021 10.2. Compensation policy 10.3. Special report relating to share subscription and/or purchase options granted to some or all salaried employees of the Company 10.4. Special report on bonus awards of existing or new shares to all or some categories of salaried employees of the Company 11. Regulated agreements 12. Sureties, endorsements and guarantees <ol style="list-style-type: none"> 12.1. Total amount of off-balance sheet commitments as of December 31, 2021 12.2. Annual delegation of authority to the Chairman and Chief Executive Officer 13.3. Specific commitments (not covered by the annual delegation) 13. Share capital <ol style="list-style-type: none"> 13.1. Ownership as of December 31, 2021 13.2. Financial delegations and share buyback program 14. Combined Shareholders' Meeting, April 26, 2022 15. Press release 16. Any other business
May 10, 2022	<ol style="list-style-type: none"> 1. Approval of the minutes of the Meeting of the Board of Directors held on February 22, 2022 2. Position of the Company and the Group 3. Approval of the consolidated financial statements to March 31, 2022 4. Regulated agreements 5. Sureties, endorsements and guarantees 6. Press release 7. Any other business

July 28, 2022	<ol style="list-style-type: none"> 1. Approval of the minutes of the Meeting of the Board of Directors held on May 10, 2022 2. Position of the Company and the Group 3. Approval of the (condensed) consolidated financial statements to June 30, 2022 and the half-year activity report 4. Update of Colas' management forecasts and reports on those forecasts 5. Regulated agreements 6. Sureties, endorsements and guarantees 7. Press release 8. Any other business
November 15, 2022	<ol style="list-style-type: none"> 1. Resignation of Arnaud Van Eeckhout as Director, co-option of a replacement Director and amendment of the composition of the Board committees 2. Approval of the minutes of the Meeting of the Board of Directors held on July 28, 2022 3. Position of the Company and the Group 4. Approval of the (condensed) consolidated financial statements to September 30, 2022 5. Regulated agreements 6. Sureties, endorsements and guarantees 7. Compensation paid to Directors in respect of fiscal year 2022 8. Press release 9. Any other business
December 9, 2022	Proposed sale of Ravinala Airports shares – Authorization

1.3.3. ORGANIZATION AND OPERATION OF BOARD COMMITTEES

The Board is assisted in the performance of its duties by the following:

- an Audit Committee;
- a Selection and Compensation Committee; and
- an Ethics and Corporate Sponsorship Committee.

The responsibilities of these committees and their operating guidelines are defined in the Board's internal rules and regulations.

Audit Committee

The Audit Committee met five times in 2022: four times to review the consolidated and parent company financial statements in advance of the Board of Directors' Meetings, and a fifth time to present the business plan and risk map.

- The Audit Committee will meet seven times in 2023:
- in January to present the business plan and risk map;
 - in February, May, July and October, in advance of the Board of Directors' Meetings, to review the consolidated and parent company financial statements;
 - in June to review specific points;

- in December to review the business plan and risk map (in advance of the Board of Directors' Meeting in January).

The Audit Committee's mission is to assist the Board in guaranteeing the accuracy, reliability and fair presentation of the financial statements and the quality of the information communicated, particularly to shareholders. It reviews the interim and annual financial statements, and those for the periods ending March 31 and September 30. It ensures that accounting methods and principles are appropriate, evaluates the main financial risks, examines internal control systems, and issues recommendations. Lastly, it determines the criteria for the appointment of Statutory Auditors and is notified of their work schedules and recommendations.

As of December 31, 2022, the Committee's members were as follows:

- Bouygues SA (Committee Chairman), represented by Pascal Grangé;
- Colette Lewiner; and
- Stéphanie Rivoal.

The proportion of Independent Directors on the Audit Committee is thus 66.66%.

The Audit Committee met five times during fiscal year 2022:

January 13, 2022	<ol style="list-style-type: none"> 1. 2022-2024 business plan 2. 2022 major risk mapping 3. Appendices
February 18, 2022	<ol style="list-style-type: none"> 1. Significant events as of December 31, 2021 2. Comments on the financial statements to December 31, 2021 3. Review of significant projects as of December 31, 2021 4. Statutory Auditors' report 5. Draft press release 6. Services other than statutory audit 7. Audit and Internal Control
May 6, 2022	<ol style="list-style-type: none"> 1. Significant events as of March 31, 2022 2. Comments on the financial statements as of March 31, 2022 3. Review of significant projects as of March 31, 2022 4. Statutory Auditors' report 5. Draft press release 6. Services other than statutory audit 7. Monitoring of key litigation and disputes 8. Audit and Internal Control

July 26, 2022	<ol style="list-style-type: none"> 1. Summary as of June 30, 2022 2. Comments on the financial statements as of June 30, 2022 3. Review of significant projects as of June 30, 2022 4. Statutory Auditors' report 5. Draft press release 6. Services other than statutory audit 7. Cybersecurity overview 8. Audit and Internal Control
November 9, 2022	<ol style="list-style-type: none"> 1. Summary as of September 30, 2022 2. Comments on the financial statements as of September 30, 2022 3. Review of significant projects as of September 30, 2022 4. Statutory Auditors' report 5. Draft press release 6. Services other than statutory audit 7. Risks and Insurance 8. Audit and Internal Control

Selection and Compensation Committee

The Selection and Compensation Committee plays a key role in determining, reviewing and implementing compensation policy.

In accordance with the provisions of the Afep-Medef Code, the Selection and Compensation Committee is tasked with:

- reviewing and proposing the compensation policy for company officers to the Board of Directors, in view of its presentation at the Shareholders' Meeting;
- reviewing and proposing to the Board all components of compensation and benefits due or potentially due to executive company officers, including in particular:
 - concerning variable compensation:
 - proposing the terms for determining targets on which variable compensation is based,
 - checking each year that the rules for determining variable compensation are properly applied by ensuring that variable compensation is consistent with performance appraisals and the Company's medium- and long-term strategy;
 - concerning long-term compensation:
 - proposing long-term compensation mechanisms and defining the terms thereof,
 - reviewing share option and share plans, and proposing allotments to the executive company officers,
- issuing proposals and overseeing the application of rules specific to the executive company officers (minimum registered shareholding, non-use of hedging mechanisms, etc.);
- issuing a recommendation on the budgeted amount of and rules for allotting compensation allocated to the Directors;
- issuing proposals on compensation and incentive systems for the Company's and the Group's key senior executives other than company officers;
- proposing a general policy on awards of share options, free shares and performance shares and determining the frequency of such awards by category of recipient;
- reviewing each year, together with the Board, draft reports on compensation paid to company officers, senior executive compensation policy, share options and performance shares.

As of December 31, 2022, the Committee's members were as follows:

- Colette Lewiner, Chairman with a casting vote;
- Catherine Ronge; and
- Didier Casas.

The proportion of Independent Directors on the Selection and Compensation Committee is thus 66.66%.

The Selection and Compensation Committee met twice during fiscal year 2022:

February 10, 2022	<ol style="list-style-type: none"> 1. Compensation in fiscal year 2021 2. Compensation policy in fiscal year 2022 3. LTI 4. Additional pension for senior executives 5. Group pay policy – Compensation paid to Colas' key managers 6. Individual HR records 7. Governance
November 9, 2022	<ol style="list-style-type: none"> 1. Situation: resignation of Arnaud Van Eeckhout 2. Recommendation of the Selection and Compensation Committee

Ethics and Corporate Sponsorship Committee

The Ethics and Corporate Sponsorship Committee is tasked with:

- In the area of ethics:
 - helping determine rules of conduct or guidelines to inspire the behavior of senior executives and employees and actions to be undertaken,
 - proposing or giving an opinion on initiatives aimed at promoting exemplary professional behavior in this area,
 - ensuring compliance with the values and rules of conduct thus determined,
 - giving an opinion on measures for preventing and detecting corruption and influence peddling;

- In the area of corporate sponsorship:

- issuing recommendations regarding rules the Company must follow,
- verifying that its recommendations have been implemented and overseeing implementation of these actions.

On December 31, 2022, the committee members were as follows:

- Didier Casas, Chairman;
- Colette Lewiner; and
- Catherine Ronge.

The proportion of Independent Directors on the Ethics and Corporate Sponsorship Committee is thus 66.66%.

The Ethics and Corporate Sponsorship Committee met twice during fiscal year 2022:

February 10, 2022	<ol style="list-style-type: none"> 1. Organization of Compliance 2. 2021 review 3. 2022 action plans 4. Colas Foundation - Patronage and sponsorship
November 29, 2022	<ol style="list-style-type: none"> 1. Organization of compliance 2. 2022 interim review 3. Monitoring of action plans 4. Key operational issues

1.3.4. DIRECTORS' ETHICS

The Company's Directors are subject to all the ethical rules laid down in paragraph 21 of the Afep-Medef Code and in the Code of Ethics set out in the appendix to the Board of Directors' internal rules and regulations.

The aforementioned Code of Ethics includes detailed instructions relating, in particular, to Directors' duty of disclosure, the duty to attend meetings, limits on multiple directorships, prevention and handling of conflicts of interest, Directors' shareholdings in the Company and protecting confidentiality, as well as detailed measures to prevent insider dealing.

Rules of prevention as regards stock market ethics and conflicts of interest are specified in compliance programs.

Potential conflicts of interest

Directors make sure not to engage in any activity that could generate a conflict of interest with the Company. Notably, Directors do not hold any interests or investments in customers, suppliers or competitors of the Company, where such interests or investments could influence the way a Director performs his/her Board duties.

Directors and company officers have agreed to inform the Board of Directors of any existing or potential conflict of interest between their duties to the Company and their private interests and/or other duties. Directors have also agreed not to take part in voting or debate on any decision that concerns them directly or indirectly. If called for, the Director concerned may have to refrain from attending meetings of the Board of Directors as long as such decisions are being made and, where applicable, for the duration of voting on the resolutions. He/she may also have to forego access to any related documents or information brought to the attention of the other Directors.

The Statutory Auditors' special report on regulated agreements and commitments covers the agreements and commitments submitted for authorization by the Board and on which some Directors have abstained from voting because of existing or potential conflicts of interest.

Attendance of Members of the Board of Directors

The internal rules and regulations encourage all Directors to devote the necessary time and attention to their duties. Directors must be assiduous and regularly attend meetings of the Board of Directors and any committees on which they sit. Directors' compensation includes a 60% variable portion calculated on the basis of attendance at meetings.

	Attendance at Board Meeting						Attendance at Audit Committee meetings						Attendance at Selection and Compensation Committee meetings			Attendance at Ethics and Corporate Sponsorship Committee meetings		
	January 14	February 22	May 10	July 28	November 15	Attendance rate	January 13	February 18	May 6	July 26	November 9	Attendance rate	February 10	November 9	Attendance rate	February 10	November 29	Attendance rate
EXECUTIVE COMPANY OFFICER																		
Frédéric Gardès	○	○	○	○	○	100%												
DIRECTORS																		
Cyril Bouygues			○	○	○	100%												
Olivier Bouygues	○	○				100%												
Bouygues SA (Represented by <i>Pascal Grangé</i>)	○	○	○	○	○	100%	○	○	○	○	○	100%						
Colette Lewiner	○	○	○	×	○	80%	○	○	○	○	○	100%	○	○	100%	○	○	100%
Stéphanie Rivoal	○	○	○	○	○	100%	○	○	○	○	○	100%						
Catherine Ronge	○	○	○	○	○	100%							○	○	100%	○	○	100%
Olivier Roussat	○	○	○	○	○	100%												
Arnauld Van Eeckhout	○	○	○	○		100%							○		100%	○		100%
Didier Casas					○	100%											○	100%
ATTENDANCE RATE	98%						100%						100%			100%		

- Directors/Advisory Board members present.
 × Directors/Advisory Board members absent.
 ■ Directors/Advisory Board members not concerned.

Procedure for assessing routine agreements

In accordance with the provisions of Article L. 22-10-13 of the French Commercial Code as amended by the Pacte Law, the Board of Directors, at its meeting on January 13, 2020, adopted an internal charter on regulated agreements including a procedure for assessing routine agreements.

An outline of the procedure is as follows:

- scope: the procedure applies within the Company prior to the conclusion of any agreement and whenever any previously concluded agreement is amended, renewed – including by tacit agreement – or terminated;
- prior notification of the Legal and Compliance Department: prior to any transaction that might constitute a regulated agreement, the Legal and Compliance Department must immediately be notified by:
 - any person directly or indirectly affected who is aware of a planned agreement that might constitute a regulated agreement, and
 - more generally, any Group entity (operational or functional department) that is aware of a planned agreement that might constitute a regulated agreement;
- competent body:

it is up to the Legal and Compliance Department and the Group General Counsel, where applicable, potentially with the support of the Finance Department, to decide whether

an agreement should be classified as an agreement relating to a routine transaction and entered into at arm's length or a regulated agreement.

When an agreement is entered into between the Company and its parent company Bouygues SA, this assessment is made by the General Counsel of Bouygues SA.

If there is any doubt as to how an agreement should be classified, the Statutory Auditors may be asked for their opinion;

- reviewing the classification of an agreement:

The classification of any new agreement is reviewed in light of a list of categories of agreement drawn up by the Group and assumed to be routine in nature.

Examples:

- employee secondment agreements (very common and charged to the user company at cost),
- financial transactions (loans, advances, guarantees, cash pooling agreements, etc.); the terms should reflect, for example, the average cost of credit obtained by the parent company or subsidiary in the market,
- agreements to transfer or sell shares to a company officer in connection with the performance of his/her duties,
- free-of-charge domiciliation agreements; and,
- guarantee remuneration agreements (at terms reflecting those available in the market).

When assessing “arm’s length” conditions in relation to the amount charged, charging at cost price or with a reasonable margin to cover unallocated indirect costs may be considered commensurate with arm’s length conditions; conversely, charging a flat amount not based on any objective cost information cannot be considered commensurate with arm’s length conditions.

In accordance with the provisions of Article L. 225-39 paragraph 2 of the French Commercial Code, persons directly or indirectly affected by an agreement may not be involved in assessing that agreement or take part in the associated discussion.

If, having completed its assessment, the Legal and Compliance Department finds that an agreement is a regulated agreement,

the monitoring procedure will then be applied, under the latter’s supervision.

The full text of the Code of Ethics is available from the Company’s website (www.colas.com, under “Group” and then “Corporate Governance”).

Once a year, the Board of Directors reviews agreements entered into and authorized during previous fiscal years and remaining in force during the last fiscal year. At this meeting, a report is submitted to the Board of Directors on application of the procedure adopted to assess routine agreements entered into at arm’s length. To this end, the Board reviews these agreements in order to ensure that the procedure is effective and that the current categorization of these agreements is kept, or not.

1.3.5. NON-DISCRIMINATION POLICY AND GENDER REPRESENTATION WITHIN EXECUTIVE BODIES

Policy on gender equality within executive bodies

In accordance with the provisions of Article 7 of the Afep-Medef Code and at the proposal of the Company’s Executive Management, the Board of Directors, at its meeting of February 16, 2021, adopted a specific plan to achieve balanced gender representation within the Company’s and the Group’s executive bodies (Strategy Committee and Executive Management Committee).

Indicators	Scope	Start date 12/31/2020	Target 12/31/2021	Achieved at 12/31/2021	Target 12/31/2022	Achieved at 12/31/2022	Target 12/31/2023 (set in 2021)
% female managers (and international equivalent)	World	17.32%	18.00%	18.59%	18.50%	19.97%	19% (restated at 20.5%)
% female “high-flyer” executives	World	6.90%	8.00%	12.80%	9.00%	13.33%	10.00%
% female executives	World	8.9%	9.50%	11.08%	10.50%	12.97%	12.00%
% female members of Executive Committee/Executive Management Committee	France	6.7%	13.30%	15.38%	13.30%	13.33%	20%

Executive Management confirmed its conviction that gender equality and equal pay within the Company are drivers of progress and stability at all levels that contribute to business performance and enhance individual and collective well-being. In particular, it has implemented a number of initiatives aimed at promoting diversity and combating discrimination within the Group.

This diversity policy is notably aimed at attracting, recruiting, retaining and promoting more women, in particular by ensuring that, for a given level of skills, women enjoy the same career opportunities and compensation as men.

One of the goals of this policy is to identify and develop new talent and increase the proportion of women in management; this should eventually be reflected in the membership of committees reporting to Executive Management.

For this purpose, an action plan that covers the entire career path has been implemented to:

1. attract more women job applicants, mainly by developing relationships with universities;
2. create an inclusive work environment, by training executives in non-discrimination, informing staff about flexibility policies, and supporting parenthood;
3. promote women’s career paths in particular, for example through ongoing Mentoring initiatives, *Leadership Development* training, discussions with employees leaving on and coming back from maternity or adoption leaves, etc;

4. create an environment that is conducive to everyone’s fulfilment, through new communication campaigns to combat sexism and gender discrimination, and by highlighting career opportunities for women in communication materials;
5. examine why people leave our Company so that we may learn how to improve.

Executive Management is pleased with the very encouraging results across all indicators over the final part of 2022. Consequently, some 2023 targets have been revised upward to ensure that efforts continue and increase across the board.

Diversity position in the top 10% most senior positions

In the absence of any legal definition of the “top 10% most senior positions”, the Company considers it reasonable to take the notion of “executive” used across the Group (not only the Company itself), which encompasses employees with the status of “department head” or above.

This gives the following proportions of female executives across the Group:

- Worldwide scope: 12.97% in 2022 (vs 11.08% in 2021);
- France scope (Mainland and Overseas France): 13.44% (vs 11.22% in 2021).

1.3.6. CORPORATE GOVERNANCE CODE

The Company refers to the Afep-Medef corporate governance Code for listed companies.

It is published on the Medef website, www.medef.com, the Afep website, www.afep.com, and the Company's website (www.colas.com) as an appendix to the Board of Directors' internal rules and regulations (in the "Group" section, under "Corporate Governance").

In accordance with the "comply or explain" rule laid down in Article L. 22-10-10 of the French Commercial Code and referred to in Article 28.1 of the Afep-Medef code, the Company considers that it is compliant with the recommendations of the Afep-Medef Code (in the version applicable in 2020) with the exception of the following provisions:

Recommendations of the Afep-Medef Code not implemented by the Company	Explanation
4.6. In this regard: – [...] – the Company's ratings issued by financial rating agencies, and any changes in those ratings during the fiscal year, should be published.	The Company does not seek a rating from any financial rating agency.
18.2.2 Succession for executive company officers The appointments committee (or an ad hoc committee) should draw up a succession plan covering the executive company officers. This is one of the committee's key tasks, though the Board may, as the case may be, choose to entrust it to an ad hoc <i>committee</i> . The Chairman may sit on the committee or take part in its work as it performs this duty.	The Committee works to propose and ensure coherent and effective succession planning whenever the need arises. The Company implements the Group's more general strategy of identifying and developing talent and favoring internal promotion.
18.3 Operational arrangements (Committee with responsibility for appointments) The executive company officer is involved in the work of the appointments committee. Where the roles of Chairman and Chief Executive Officer are separate, the Non-Executive Chairman may be a member of this committee.	To date, the Company's Board of Directors has not deemed it appropriate to invite the executive company officer to attend meetings of the Selection and Compensation Committee. However, the executive company officer may be consulted in advance of or during any such meeting, if the members of the Selection and Compensation Committee consider it necessary.
21. All Directors of listed companies are bound by the following obligations: – [...] – unless otherwise provided by law, Directors should personally be shareholders and, pursuant to the provisions laid down in the Company's bylaws or internal rules and regulations, hold a minimum number of shares that is material in light of the compensation allotted to them. If a Director does not hold these shares upon taking up his/her position, he/she should use his/her compensation to buy them. Directors should disclose this information to the Company, which should include it in its report on corporate governance.	Given its ownership structure (96.81%-owned by Bouygues SA), the Company does not consider it necessary for Directors to hold a minimum number of shares of the Company. However, the Board of Directors' internal rules and regulations recommend that each Director symbolically hold at least one share of the Company.
24. Requirement for executive company officers to hold shares The Board of Directors determines a minimum number of shares that must be held in registered form by the executive company officers until their term of office expires. This decision is reviewed at least each time an executive company officer is reappointed.	Given its ownership structure (96.81%-owned by Bouygues SA), the Company does not consider it appropriate to require the executive company officers to hold a minimum number of shares of the Company.
26.1.1. Role of the Board of Directors The Board discusses the performance of the executive company officers without the latter being present.	The Board of Directors does not consider it necessary for executive company officers to leave the room when their performance is discussed. On the contrary, the Board of Directors considers that the latter's presence allows for open and more constructive dialogue. The Board of Directors nevertheless reserves the right to review its position at any time and to ask the executive company officers to leave a Board Meeting while their performance is discussed.

2. Compensation of company officers (senior executives and Directors)

This section includes all related reporting required by the French Commercial Code, as well as tables recommended by the Afep-Medef Code of Corporate Governance or by the AMF in its publications concerning the company officer compensation disclosures to be provided in French reports on corporate governance.

Acting on the Selection and Compensation Committee's proposal, the Board of Directors determines the compensation policy (2.1. "Compensation policy").

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the Board of Directors presents at the Shareholders' Meeting all compensation paid or granted to each company officer for the fiscal year (2.2. "Total compensation of company officers in 2022").

2.1. Compensation policy for all company officers

This compensation policy was drawn up based on the information required by Article L. 22-10-8 of the French Commercial Code.

It was signed off by the Board of Directors at its Meeting of February 21, 2023 at the recommendation of the Selection and Compensation Committee.

As well as providing an overview of the general principles of compensation policy applicable to all company officers (2.1.1.), the following sections cover:

- compensation policy specific to each executive company officer (2.1.2.1);
- compensation policy applicable to Directors and Advisory Board members, if any (2.1.2.2).

This compensation policy is subject to approval at the Shareholders' Meeting to be held on April 25, 2023 (via Resolutions 5 and 6).

2.1.1. COMPENSATION POLICY FOR ALL COMPANY OFFICERS

This compensation policy is in line with the compensation policy approved at the Shareholders' Meeting of April 26, 2022.

For the purposes of this compensation policy, and pursuant to the provisions of the Afep-Medef Code, "executive company officers" encompasses the Chairman and Chief Executive Officer. The executive company officers and the Directors are together referred to as "company officers".

General principles for determination, review and implementation of the compensation policy for company officers

Alignment with the Company's interests and contribution to its commercial strategy and long-term viability

The Board of Directors seeks to ensure that compensation policy applicable to company officers is aligned with the Company's interests and commercial strategy and promotes the Company's long-term performance and competitiveness so as to secure its long-term viability.

Determining the compensation policy

The compensation policy determined by the Board of Directors, at the recommendation of the Selection and Compensation Committee, includes incentives reflecting the Group's business strategy focused on delivering sustainable profitable growth by acting responsibly in keeping with the interests of the Company and all stakeholders.

Compliance

In conducting its analysis and making its proposals to the Board of Directors, the Selection and Compensation Committee is careful to abide by the recommendations of the Afep-Medef Code, which the Company seeks to observe.

Comparability and balance between components of compensation

In determining compensation policy, the Board of Directors takes into account the level and difficulty of the responsibilities entrusted to company officers, in line with observed practice at groups carrying on comparable business, and seeks to ensure an appropriate balance between fixed, variable and long-term compensation. This compensation policy is clearly motivated by and determined in accordance with the interests of the Company.

Consistency and intelligibility of rules

The Board of Directors, at the recommendation of the Selection and Compensation Committee, strives to implement a compensation policy for company officers that is simple, understandable and consistent with the policy applicable to the Group's senior executives and employees.

Exhaustiveness

An exhaustive breakdown of the structure of incentive-based compensation, in keeping with the interests of the Company, is as follows:

- fixed compensation;
- annual variable compensation;
- long term compensation;
- short-term incentive;
- compensation in respect of duties as a Director;
- stock options;
- limited benefits in kind; and
- supplementary pension plan.

Severance benefits may be paid in respect of salaried employment within the Group, excluding any period of service as a company officer, in keeping with the French Labor Code and the national collective bargaining agreement applied by the company concerned.

No non-compete compensation is paid to company officers when their term of office expires.

Performance and measurement

Specific and demanding quantifiable and/or qualitative performance criteria are determined for variable compensation to help maintain a link between the Group's performance and compensation paid to company officers from a short-, medium- and long-term perspective.

These performance criteria take into account the interests of the Company and observed practice at groups carrying on comparable business.

Review of the compensation policy

The Board of Directors regularly reviews the Group's compensation policy at the proposal of the Selection and Compensation Committee, in keeping with the principles laid down in applicable law and the Afep-Medef Code.

Each year, the Selection and Compensation Committee proposes and monitors the rules used to determine compensation payable to company officers, together with benefits of any kind made available to them, and the variable component of compensation paid to company officers, ensuring the latter is consistent with company officers' appraised performance and the Group's medium-term strategy.

Each review of compensation policy takes into account the need to reinvest profits into employee benefits so as to attract and retain talent; examples of such benefits include high-quality health insurance, personal risk cover, agreements in favor of work-life balance, supplementary pensions and training.

Implementation of compensation policy

The Selection and Compensation Committee presents a report on its work in accordance with its role as defined in the Board's internal rules.

The Board of Directors is responsible for determining fixed and variable compensation, benefits in kind and, where applicable, the conditions under which pensions or compensation may be awarded to company officers.

The Board of Directors makes reasoned decisions based on proposals put forward by the Selection and Compensation Committee, taking an overall view of the compensation awarded to each company officer and seeking to strike a fair balance between the general interest, market practice and individual executives' performance.

The Board of Directors may only diverge from the compensation policy temporarily, in keeping with the interests of the Company and for the sole purpose of ensuring the Group's viability and long-term success.

The Group strives to ensure that employees are fairly rewarded and the process for deciding on pay increases involves all relevant parties.

The Board's decisions comply with the recommendations laid down in the Afep-Medef Code and recommendations issued by the AMF.

Management of conflicts of interest

To safeguard against conflicts of interest, at least one-third of the Board's members are Independent Directors.

The Selection and Compensation Committee discusses Directors' independence:

- whenever a Director is appointed;
- annually for all Directors.

In accordance with the Code of Ethics for the Group's Directors and Advisory Board members, each Director and Advisory Board member must comply with the recommendations laid down in Article 21 of the Afep-Medef Code.

Directors and Advisory Board members make sure not to engage in any activity that could generate a conflict of interest.

They undertake to inform the Chairman of the Board of Directors of any actual or potential conflict of interest between their duties to the Group and their private interests and/or other duties and, for Directors, not to take part in votes on any matters that directly or indirectly concern them.

In such a case, the Director or Advisory Board member concerned may have to refrain from attending meetings of the Board of Directors as long as such decisions are being made and, where applicable, for the duration of voting on the resolutions. He or she may also have to forego access to any related documents or information brought to the attention of the other Directors or Advisory Board members.

The Chairman of the Board of Directors may at any time ask Directors and Advisory Board members to provide a written statement confirming that they are not involved in any conflict of interest.

Role of the Selection and Compensation Committee

The Selection and Compensation Committee plays a key role in determining, reviewing and implementing compensation policy.

Its key responsibilities are set out above (1.3.3. "Organization and operation of Board committees").

Employee compensation

The Group is well aware that its success and progress depend on the skills and attitudes of its people. It is therefore careful to implement, across all entities and all countries, a compensation policy aimed at rewarding those who achieve or exceed individual and shared targets.

Compensation policy is determined, reviewed and implemented in keeping with the wider compensation policy of Bouygues group, which aims to give employees a stake in the Company's performance.

REPORT ON CORPORATE GOVERNANCE

Compensation of company officers (senior executives and Directors)

All Colas Group employees in France are covered by mandated and/or discretionary profit-sharing agreements, with appropriate specific agreements in place outside France. The aforementioned agreements are directly linked to exceeding financial performance targets, and the indicators used are chosen from among those used to determine variable compensation payable to Colas Group senior executives.

Bouygues SA regularly undertakes capital increases reserved for employees, including employees of Colas Group. In 2022, stock options were awarded to more than 282 senior executives and managers confirmed as potential high-flyers.

Assessment of performance criteria

Each year, the Selection and Compensation Committee reviews and evaluates the rules used to determine variable compensation awarded to executive company officers.

The Committee uses simple, transparent and demanding objective criteria to assess the performance criteria used to determine both annual variable compensation and long-term compensation awarded to the executive company officers, drawing on internal and external quantitative and qualitative performance criteria determined on the basis of market surveys. These criteria are entirely consistent with the trajectory set out in the business plan.

For each financial criterion, a formula approved by the Board of Directors is used to calculate the amount of variable compensation payable (up to a specified maximum amount), taking into account achievement against target based on the consolidated financial statements for the year. Where performance exceeds target, the value of the variable component is adjusted upwards, subject to the upper limit set for each criterion. Where performance falls below the lower limit set for each target, the variable component corresponding to that criterion is zero.

Breakdown of annual fixed amount awarded to Directors and Advisory Board members by the Shareholders' Meeting

The Selection and Compensation Committee issues proposals on the system for compensating the Group's company officers. In particular, it makes a recommendation on the total budgeted amount to be allotted to the Directors and any Advisory Board members and how this is to be apportioned.

The Board of Directors determines the amount of compensation to be paid to the Directors and any Advisory Board members in respect of their participation in the work of the Board and its Committees, subject to the limit determined by the shareholders.

Compensation allotted to the Directors and any Advisory Board members is broken down as follows:

- a fixed component of 40%;
- a variable component of 60% calculated on the basis of attendance at the five meetings of the Board of Directors, the six meetings of the Audit Committee, the Meeting

of the Selection and Compensation Committee and the two meetings of the Ethics and Corporate Sponsorship Committee (variable compensation is not payable in respect of extraordinary meetings of the Board or any of its committees).

The fixed amount thus determined is the same for all Directors and Advisory Board members.

Waiver of compensation policy

In exceptional circumstances, the Board of Directors, at the proposal of the Selection and Compensation Committee, may, in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, waive application of the compensation policy provided such waiver is temporary, in keeping with the Company's interests and necessary to secure the Company's long-term viability.

Such exceptional circumstances could, in particular, arise from an unforeseen change in the competitive environment, a significant change in the Group's scope following a merger or disposal, the acquisition or creation of a significant new business or the discontinuation of a significant business, a change in accounting methods or a major event affecting markets, the economy and/or the Group's industry sector.

In such cases, the Board of Directors may, after consulting the Selection and Compensation Committee, adjust the criteria and performance conditions attached to annual and multi-year variable share-based compensation, with the proviso that the upper limit on such compensation may not be amended in any circumstances.

Any such adjustments must be duly justified and implemented with the utmost rigor. Annual variable compensation must be put to the vote at the Shareholders' Meeting and may not be paid unless passed at that meeting.

Any such changes must ensure that the interests of shareholders and recipients remain aligned.

Taking into account recent shareholders' votes

At the Annual Shareholders' Meeting of April 26, 2022, the shareholders approved Resolution 7 on information laid down in Article L. 22-10-9 of the French Commercial Code relating to components of compensation paid or allotted to company officers in respect of the fiscal year ended December 31, 2021.

At that same meeting, the shareholders also approved the compensation policy for 2022 (Resolutions 5 and 6) as well as the fixed and variable components making up total compensation and benefits paid or allotted to each company officer in respect of the fiscal year ended December 31, 2021 (Resolutions 8 and 9).

Given these positive votes and as there were no changes to the governance structure, the Board of Directors, at the proposal of the Selection and Compensation Committee, decided to propose a compensation policy for fiscal year 2023 following on from that adopted in 2022.

Changes to compensation policy

At its meeting of February 21, 2023, the Board of Directors decided to propose a compensation policy following on from the policy that applied in 2022.

The components of executive company officers' compensation ensure that their interests are aligned with those of shareholders. The Company has opted for a system based on Bouygues SA shares to ensure that the interests of executive company officers are aligned with those of the Group and its shareholders (specifically by putting in place a free performance share award plan for executive company officers and a pension plan in the form of performance shares). In accordance with the recommendations of the HCGE (French High Committee on Corporate Governance), the Company has maintained important non-financial criteria used to determine variable compensation by precisely defining all criteria, including in particular the environmental criterion. Lastly, to fully align the compensation policy for executive company officers with the Company's strategy, a strategic criterion linked to the achievement of a specific target has been retained in the criteria upon which annual variable compensation is based.

Full details of the compensation policy are set out below.

Application of compensation policy for recently nominated company officers

Should the governance structure change and a new company officer be appointed during fiscal year 2023, the principles, criteria and components of compensation laid down in the 2023 compensation policy shall apply to that executive company officer.

More specifically, should a new Chairman and Chief Executive Officer be appointed, the principles, criteria and components of compensation laid down in the compensation policy applicable to the Chairman and Chief Executive Officer would apply.

Should the roles of Chairman and Chief Executive Officer be separated, the principles, criteria and components of compensation laid down in the compensation policy applicable to the Chairman and Chief Executive Officer would be adapted by the Board of Directors, at the proposal of the Selection and Compensation Committee, to reflect this change.

In any event, the Board of Directors, at the recommendation of the Selection and Compensation Committee, may adapt both the level and the structure of compensation to reflect the recipient's circumstances, experience and responsibilities.

Any resulting significant changes to compensation policy shall apply pending approval at a Shareholders' Meeting.

2.1.2. COMPENSATION POLICY SPECIFIC TO EACH COMPANY OFFICER

The Board of Directors, at the recommendation of the Selection and Compensation Committee, has approved the criteria and methods set out below for determining, apportioning and awarding fixed, variable and exceptional components of total compensation and benefits of any kind attributable to each company officer in respect of fiscal year 2023.

2.1.2.1. Compensation policy for the Chairman and Chief Executive Officer in 2023

At its meeting of February 21, 2023, on the recommendation of the Selection and Compensation Committee, the Board of Directors proposed defining the compensation policy for the Chairman and Chief Executive Officer for fiscal year 2023, as detailed below.

This compensation policy is subject to approval at the Shareholders' Meeting to be held on April 25, 2023 (via Resolution 6).

Terms of office and employment contracts

Frédéric Gardès was appointed Chief Executive Officer on May 14, 2019 and Chairman of the Board of Directors on February 16, 2021. His term of office as Chairman and Chief Executive Officer will expire at the close of the Shareholders' Meeting to be held in 2023 to approve the financial statements for the fiscal year ending December 31, 2022. At its meeting of February 21, 2023, the Board of Directors, having decided to propose that he be reappointed as a Director for three years, decided to reappoint him as Chairman and Chief Executive Officer for the same period.

The Chairman and Chief Executive Officer's appointment may at any time be revoked by the Board of Directors.

Frédéric Gardès has had no employment contract with the Company since his appointment as Chief Executive Officer on May 14, 2019. He has been an employee of Bouygues SA since that date.

Compensation payable to Frédéric Gardès, which is determined and paid in accordance with the criteria and principles signed off by the Company's Board of Directors, is paid by Bouygues SA. This compensation and associated social security contributions are billed by Bouygues SA to Colas. The amounts thus billed strictly reflect the amounts of compensation set by the Company's Board of Directors.

Total compensation and benefits in kind

Fixed compensation

Fixed compensation is determined based on the level and difficulty of responsibilities, experience in the job and seniority in the Group, as well as practices documented at companies or groups of companies whose business activities are comparable.

The amount of gross annual fixed compensation payable to Frédéric Gardès in respect of fiscal year 2023 is €920,000.

Annual variable compensation

Criteria for annual variable compensation

The Board of Directors and the Selection and Compensation Committee seek to ensure that variable compensation payable to the Chairman and Chief Executive Officer is consistent with the Company's performance targets and thus aligned with the Company's interests and medium- and long-term commercial strategy.

Variable compensation is expressed as a percentage of fixed compensation (FC). Variable compensation awarded in respect of a given fiscal year is capped at a percentage of fixed compensation.

The Board of Directors has decided that the criteria upon which annual variable compensation is based shall be determined as follows:

P1	Group free cash flow before working capital requirement
P2	Group net surplus cash/net debt (excluding significant acquisitions)
P3	Group current operating margin
P4	Consolidated net profit attributable to the Group
P5	Strategic targets relating to the Group's net debt
P6	<p>Non-financial criteria linked to the Group's performance in the areas of compliance and CSR and an overall appraisal of the senior executive's management performance</p> <p>Non-financial criteria are weighted as follows:</p> <ul style="list-style-type: none"> - compliance (10% of FC): <ul style="list-style-type: none"> - communication by the Chairman and Chief Executive Officer on compliance (traceability), - monitoring of sanctions in the event of non-compliance, - rollout of the new whistleblowing procedure; - social and environmental responsibility (20% of FC): <ul style="list-style-type: none"> - health and safety (5%): Improving the occupational accident frequency rate relative to fiscal year 2022; if the number of fatal accidents increases from one year to the next, the Selection and Compensation Committee may propose zero for this criterion, depending on the nature and circumstances of these accidents - environment plan (10%): <ul style="list-style-type: none"> - achieving or maintaining SBTi certification; contributing to the formalization and implementation of the action plan for achieving level A or A- for the Carbon Disclosure Plan (CDP) for 2024, - use of the carbon calculator; - percentage of reclaimed asphalt pavement (recycled materials) used in asphalt mixes, in accordance with the plan set out by the Group, - group gender diversity plan (5%): achievement of two of the plan's targets (% female managers and % women recruited into technical roles); - managerial performance (10%), the assessment of which includes procedures for dealing with harassment (systematic investigations of harassment claims and systematic sanctions if proven), commitment (employee survey) and Company advocacy (presence on social networks and external communication by senior management). <p>The Board of Directors reserves the overarching right to reduce the weighting accorded to performance on non-financial criteria, or to discount performance on non-financial criteria altogether, should serious events occur during the fiscal year.</p>

After consulting the Selection and Compensation Committee, the Board of Directors may waive the criteria set out above in accordance with the conditions laid down in the second paragraph of Article L. 22-10-8 III of the French Commercial Code and the exemption clause set out in section 2.1.1 of this report on corporate governance.

Method for determining 2023 annual variable compensation

The method used to determine variable compensation payable to the Chairman and Chief Executive Officer is based on the six separate criteria (P1 to P6) defined above.

Variable compensation for 2023 will be determined by performance calculated on the basis of three predefined bounds for each of the criteria (see methodology and the weighting applied to each criterion below). This means failure to achieve any one target makes it impossible to achieve the maximum amount of variable compensation.

P1, P2, P3, P4 and P5

The payment of each of the five bonuses P1, P2, P3, P4 and P5 depends on performance achieved during the fiscal year. It is expressed as a percentage of fixed compensation (% of FC).

Three bounds have been determined for each criterion:

- a lower bound determining the threshold at which the bonus is triggered. This is based on overall performance against this indicator in 2022;
- an intermediate bound, which represents the performance expected in 2023;
- an upper bound representing performance over and above the financial targets applicable to the intermediate bound.

Each bonus (P1, P2, P3, P4 and P5) is calculated as follows:

1. If the lower bound is reached:

- P1 = 10% of FC
 - P2 = 10% of FC
 - P3 = 15% of FC
 - P4 = 10% of FC
 - P5 = 7.5% of FC
- Total: 52.5% of FC

2. If the intermediate bound is reached:

- P1 = 20% of FC
 - P2 = 20% of FC
 - P3 = 30% of FC
 - P4 = 20% of FC
 - P5 = 15% of FC
- Total: 105% of FC

3. If the upper bound is reached:

- P1 = 30% of FC
 - P2 = 25% of FC
 - P3 = 35% of FC
 - P4 = 25% of FC
 - P5 = 15% of FC
- Total: 130% of FC

Between these bounds, the actual weighting applied to each bonus (P1, P2, P3, P4 and P5) is determined using linear interpolation. If the lower bound is not reached, P is equal to zero.

P6

The Board of Directors defines the effective weighting of P6 without going over the cap of 40% of FC.

Cap

The sum total of the six bonuses P1, P2, P3, P4, P5 and P6 calculated using the above method can never go over a cap of 170% of fixed compensation.

Payment conditions

The variable component payable in respect of a given office is determined by the Board of Directors when it approves the financial statements for the year in question. In accordance with Articles L. 225-100 and L. 22-10-34 of the French Commercial Code, variable compensation in respect of 2023 is subject to approval at the Shareholders' Meeting to be called in 2024 to approve the financial statements for fiscal year 2023. It will be paid once approved by the shareholders.

There are no other potential deferment periods.

Performance conditions of short-term incentive 2023

STI-1 (40% of FC)	STI-1.1: Performance linked to financing for a Major Project (15% of FC)
	STI-1.2: Performance linked to management of a Major Project (lower bound: 5% of FC; upper bound: 15% of FC; varies linearly between the two bounds)
	STI-1.3: Strategy – approval of a plan relating to the management of specific assets (10% of FC)
STI-2 (20% of FC)	Strategy – implementation of the plan relating to the management of specific assets (20% of RF)

This variable compensation may be up to a maximum of 60% of fixed compensation and is made up of two components:

- one component of up to 40% of fixed compensation (STI-1) subject to meeting performance-related criteria linked to financing for a Major Project (STI-1.1), management of a Major Project (STI-1.2) and approval of a specific plan relating to the management of specific assets (STI-1.3); and
- another component of up to 20% of fixed compensation if the plan relating to the management of specific assets is implemented (STI-2).

For STI-1, the criteria must be met no later than the date on which the Company's Board of Directors meets to sign off the consolidated financial statements to June 30, 2023. STI-1.2 varies linearly between the lower and upper bounds.

For STI-2, the criterion must be met no later than the date on which the Company's Board of Directors meets to sign off the 2023 financial statements.

Payment conditions

The component payable in respect of STI-1 will be determined by the Board of Directors when it meets to sign off the consolidated financial statements to June 30, 2023.

The component payable in respect of STI-2 will be determined by the Board of Directors when it meets to sign off the annual financial statements for 2023.

The short-term incentive will be paid once approved by the shareholders at the meeting to be held in 2024 to approve the financial statements of the fiscal year 2023.

Long-term compensation (2023-2025 plan)

The Chairman and Chief Executive Officer is eligible for long-term compensation.

Frédéric Gardès qualifies for long-term compensation, in the form of deferred conditional allotments of existing free shares in Bouygues SA, with the aim of more closely aligning the interests of executive company officers with those of the

Leaving office

If the Chairman and Chief Executive Officer leaves office in the course of a fiscal year, the amount of variable compensation payable in respect of the current fiscal year will be determined pro rata based on his/her time in office during the fiscal year in question as well as on his/her observed performance, as appraised by the Board of Directors against each of the originally selected criteria.

2023 Short-Term Incentive**Criteria for awarding the 2023 Short-Term Incentive**

At its meeting of February 21, 2023, the Board of Directors proposed, at the recommendation of the Selection and Compensation Committee, that a "Short-Term Incentive" be awarded to the Chairman and Chief Executive Officer in 2023 subject to achievement of short-term performance criteria.

shareholders, notably taking into account the Company's stock market performance.

Under this long-term compensation plan, a maximum of 25,000 Bouygues shares may be allotted to Frédéric Gardès after a vesting period of three years (2023, 2024 and 2025), in accordance with the provisions of the French Commercial Code (Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.*).

Should the plan fall outside the scope of Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code, the recipient would be liable to pay social security contributions and income tax on any shares thus allotted under the same terms applicable to his salary in respect of the year during which the shares vest. It would therefore be proposed that a portion of the shares to be allotted to the recipient be paid in cash to enable the recipients to pay the associated employee social security contributions and income tax.

For each allotment, the long-term compensation, subject to its being approved at a Shareholders' Meeting as laid down in Article L. 22-10-34 of the French Commercial Code, would be paid as follows:

- 50% of the shares allotted would be delivered to the recipient on the first business day following the aforementioned Shareholders' Meeting;
- a cash amount equivalent to the value of 50% of the shares would be paid during the week following the aforementioned Shareholders' Meeting, calculated based on the opening share price the day before that Shareholders' Meeting.

Should the plan fall within the scope of Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code, the long-term compensation, subject to its being approved at a Shareholders' Meeting as laid down in Article L. 22-10-34 of the French Commercial Code, would be paid as follows: 100% of the shares allotted would be delivered to the recipient on the first business day following the aforementioned Shareholders' Meeting.

Allotment of shares is subject to the recipient still holding office and meeting performance criteria at the end of the vesting period.

Performance conditions

A1	RoCE: Return on Capital Employed/Invested This criterion is intended to measure average value creation by the Bouygues group over the period 2023, 2024 and 2025. It is determined by comparing average RoCE over the last three fiscal years with the three bounds (lower, intermediate, upper).
A2	Redeemable subordinated loan note This criterion is intended to measure, over the three-year period, the performance of the Bouygues share price relative to sector-specific indices reflecting the Group's main business. The criterion is triggered as soon as the Bouygues share price is at least equal to the benchmark price.
A3	Strategic targets: business margins
A4	Equally-weighted CSR targets: climate plan and diversity

The number of shares allotted (25,000 maximum) would be determined as follows:

1. If the lower bound is reached:

- A1 = 2,500 shares
- A2 = 2,750 shares
- A3 = 3,000 shares
- A4 = 10,000 shares

2. If the intermediate bound is reached:

- A1 = 5,000 shares
- A2 = 3,375 shares
- A3 = 5,000 shares
- A4 = 10,000 shares

3. If the upper bound is reached:

- A1 = 6,000 shares
- A2 = 4,000 shares
- A3 = 5,000 shares
- A4 = 10,000 shares

Between the various bounds, A1 and A2 vary linearly. As regards A3, two criteria must be met to trigger delivery of the free shares. If performance exceeds business plan targets, an additional 1,000 free shares may be awarded for each of the two criteria.

For A4, the performance measure will be calculated using the average of the results obtained by the Bouygues group business lines and will vary accordingly.

Continued service condition

The recipient must hold the office of Chief Executive Officer of Colas SA as of December 31, 2025.

If the recipient no longer complies with this condition, his/her entitlement to long-term compensation will be definitively forfeited as of the date of termination of office.

The Board of Directors may make exceptions to these provisions on a case-by-case basis after consulting the Selection and Compensation Committee.

Notwithstanding the above, the recipient will not lose their entitlement to long-term compensation due to:

- disability;
- death;
- retirement, on a pro rata basis for their attendance during the reference period.

Cap

Long-term compensation may never exceed a cap of 100% of the recipient's fixed and variable compensation.

Holding period/hedging

Pursuant to the recommendations of the Afep-Medef Code, the recipient will be required to hold a minimum number of shares in registered shares form until their term of office expires. Thus, the recipient should hold in registered form, until the end of their term of office as an executive company officer, a minimum number of shares equivalent to 1.5 times their fixed annual remuneration. Until such time as this holding target is met, the recipient would have to commit 60% of all shares actually delivered to him/her to this end. Should the plan not fall within the scope of Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code, the recipient must devote 50% of the shares actually delivered to him for this purpose.

The value of the shares delivered and the sums in cash paid under this long-term compensation plan may not exceed a cap equal to 100% of the recipient's fixed and variable compensation. To determine whether the cap has been reached, the value of the shares delivered is calculated on the basis of the opening share price of Bouygues shares the day before their delivery.

To the Company's knowledge, no hedging instruments have been put in place for the shares that may be granted under this long-term compensation plan. The recipient has also formally undertaken not to hedge their risk.

Stock options

Since Frédéric Gardès, Chairman and Chief Executive Officer, has an employment contract with Bouygues SA, options entitling him to subscribe for new Bouygues shares (35,000 per year) may be awarded to him by Bouygues SA. For information about the terms of such awards, please refer to Bouygues SA's Universal Registration Document.

Benefits in kind

The Chairman and Chief Executive Officer has a chauffeur-driven company car and a fixed number of hours of tax/financial advisory services and is covered by Bouygues SA's current health insurance and benefits plans under the same terms that apply to employees.

For information, the total value of these benefits in kind in respect of 2022 was measured at €30,614.

Supplementary pension plan

Group pension plan contingent upon the plan member concluding his career within the Group, governed by Article L. 137-11 of the French Social Security Code (benefits in respect of periods of employment prior to January 1, 2020).

Having joined the pension plan prior to July 4, 2019, Frédéric Gardès is eligible for a defined-benefit supplementary pension plan governed by Article L. 137-11 of the French Social Security Code.

Provided that he concludes his career with the Bouygues group, Frédéric Gardès may be entitled to a pension under this plan.

In accordance with French Law No. 2019-486 of May 22, 2019, known as the Pacte Law, and Order No. 2019-697 of July 3, 2019, the pension plan was closed to new members as of July 4, 2019 and current members' benefits were frozen as of December 31, 2019.

As a result of the plan being closed and members' benefits being frozen, no further benefits may be granted to the Chief Executive Officer under this pension plan as of January 1, 2020.

Pursuant to Article 5 of Order No. 2019-697 of July 3, 2019, Bouygues SA intends to transfer the contingent benefits under the present plan, governed by Article L. 137-11 of the French Social Security Code, to a non-contingent benefit contract covered by Article L. 137-11-2 of the French Social Security Code, the characteristics of which are identical to the non-contingent benefit pension plan described below (i.e. as a result of this transfer, the pension benefits acquired under this plan will no longer be contingent upon the plan member's continued presence at the Company upon retirement).

In any event, no benefits may be transferred to the plan member in excess of the 30% cap on his average annual compensation subject to social security contributions over the last three years under the plan governed by Article L. 137-11 of the French Social Security Code.

Non-contingent benefit pension plan governed by Article L. 137-11-2 of the French Social Security Code (benefits in respect of periods of employment subsequent to January 1, 2020).

Given the closure of the plan and the freezing of contingent benefits under the defined-benefit pension plans covered by Article L. 137-11 of the French Social Security Code, the Bouygues SA Board of Directors on November 13, 2019 and February 19, 2020 decided to set up a new non-contingent benefit pension plan in accordance with the legal provisions in force (Article L. 137-11-2 of the French Social Security Code). This plan enables members of the Executive Management Committee who have not reached the limit established by the Board of Directors to accrue pension benefits in respect of periods of employment subsequent to January 1, 2020 such that they can acquire the same level of annuity benefits (0.92% per year) as under the plan previously in force at Bouygues and subject to the performance conditions set out below. In accordance with new regulations, pension benefits will vest annually and will no longer be contingent upon the recipient concluding their career at the Company.

The characteristics of the supplementary pension plan are as follows:

1. Conditions for joining the pension plan and other conditions to be able to benefit from it: must be a member of Bouygues' Executive Management Committee.
2. Reference compensation equal to the sum of gross annual fixed compensation and gross annual variable compensation.
3. Rate of acquisition of benefits: annually.
4. Annual limit on vesting of pension benefits: 0.92% of reference compensation.
5. Overall limit: eight times the annual social security cap (€351,936 in 2023).
6. Overall limit on non-contingent benefits under all plans governed by Article L. 137-11-2 of the French Social Security Code: 30 points.
7. Funded through an insurance company to which a premium is paid each year.
8. Performance conditions:

Fiscal year 2023: Target = that average consolidated net profit attributable to the Group for fiscal years 2023, 2022 and 2021 ("Average Consolidated Net Profit") be no more than 10% below the average consolidated net profit stated in the 2023, 2022 and 2021 business plans.

Method for determining acquisition of pension benefits on the basis of performance:

- if average consolidated net profit is greater than or equal to average consolidated net profit stated in the business plan for 2023 and the plans for 2022 and 2021: annual pension benefits = 0.92% of reference salary;
- if average consolidated net profit is more than 10% below average consolidated net profit stated in the business plan for 2023 and the plans for 2022 and 2021: annual pension benefits = zero.

Between the lower limit and the upper limit, pension benefits awarded vary linearly from 0% to 0.92% of reference compensation.

The Chairman and Chief Executive Officer of Colas SA is eligible for this pension plan and may acquire benefits (0.92% of reference compensation per year) provided that he meets the performance conditions defined above.

Pension plan involving the granting of performance shares

On the recommendation of its Selection and Compensation Committee, Bouygues SA's Board of Directors decided, at its meeting on February 17, 2021, to set up a new pension plan under which performance shares would be granted to the Chairman and Chief Executive Officer of Colas SA, in accordance with the terms and conditions specified in Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code.

This system helps to align the interests of executive company officers and shareholders, as shares must be held by recipients until their date of departure or retirement.

REPORT ON CORPORATE GOVERNANCE

Compensation of company officers (senior executives and Directors)

The choice of a pension plan in the form of performance shares reflects the willingness to involve executive company officers in the Company's development in order to foster a corporate culture.

The granting of performance shares under this plan is subject to compliance with:

- a one-year vesting period; and
- a strict holding period until the recipient's date of departure or retirement, and in any case, lasting no less than one year.

Vesting of shares is subject to (i) the recipient being present at the Group (at the vesting date), (ii) a performance condition relating to the average consolidated net profit attributable to the Bouygues group and (iii) a performance condition relating to the average consolidated net profit attributable to the Colas Group.

The recipient will be granted a number of free shares of the Company equivalent to the amount of the bonus that would have served to secure the benefits he would have acquired under the non-contingent pension plan (up to a maximum of 0.92% of the reference compensation, subject to the fulfillment of the performance condition).

The Board of Directors of Bouygues SA set the overall cap for this plan at fourteen times the annual French social security cap (€615,888 in 2023).

This plan applies to members of the non-contingent benefit plan governed by Article L. 137-11-2 of the French Social Security Code, provided that they have reached the cap set by Bouygues' Board of Directors (eight times the annual French Social Security cap) for the defined-benefit pension plans in force at Bouygues SA.

To better align the interests of members of the Executive Management Committee with those of shareholders, the Board of Directors of Bouygues SA decided at its meeting of February 23, 2022 that a holding period would apply on expiry of the vesting period such that vested shares could only be sold gradually in accordance with predefined terms.

Although Frédéric Gardès is in theory covered by this plan, he is not currently eligible in light of his vested benefits.

Severance benefits

No severance benefits are payable to the Chairman and Chief Executive Officer.

Non-competition payment

No non-compete compensation is payable to the Chairman and Chief Executive Officer.

Respective level of components of compensation

If the cap on long-term variable compensation is reached, the components of compensation would have the following respective importance:

- the components of fixed compensation (fixed salary, benefits in kind, and fixed compensation for directorships) account for 30% of total compensation (excluding the supplementary pension plan);
- the components of variable compensation (variable salary, variable compensation for directorships, stock options and long-term compensation) account for no more than 68% of total compensation (excluding the supplementary pension plan);
- long-term variable compensation accounts for no more than 7.23% of total compensation (excluding the supplementary pension plan).

The value of stock options and long-term compensation in the above ratios are based on Bouygues' share price at December 31, 2022.

2.1.2.2. Compensation policy for Directors and Advisory Board members in 2023

The overall amount of compensation to be allotted to Directors and, where applicable, Advisory Board members in respect of their duties was set by the Shareholders' Meeting of April 17, 2007 at €250,000 for each fiscal year.

The Directors receive compensation determined by the Board of Directors (within the overall amount voted on at the Shareholders' Meeting), based on their attendance at meetings and the amount of time they dedicate to their duties, including, as the case may be, on Board committees.

The Directors may also receive compensation in respect of specific duties that may be entrusted to them by the Board, and which would be governed by regulated agreements put to the vote at a Shareholders' Meeting.

Compensation mainly consists of a variable component calculated on a pro rata basis for the attendance of Directors and any Advisory Board members at the five regular annual meetings of the Board of Directors and, for committee members, the meetings of the committees concerned (variable compensation is not payable in respect of extraordinary meetings of the Board or any of its committees).

As a general rule, the Audit Committee meets five times a year. By exception, in 2023 a meeting of the Audit Committee will be held in June and the meeting concerning the business plan (2024-2026) and the 2024 risk map will be held in December 2023 (not January 2024).

The criteria used to determine compensation payable to Directors and Advisory Board members for 2023 are as follows:

	Fixed component ⁽¹⁾	Variable component		Maximum total	Proportion ⁽³⁾	
		Per meeting ⁽²⁾	Maximum ⁽²⁾		Fixed component	Variable component
Directors and Advisory Board members	€8,000	€2,400	€12,000	€20,000	40%	60%
Member of the Audit Committee	€1,600	€480	€3,360	€4,960	32%	68%
Member of the Selection and Compensation Committee	€1,600	€1,200	€2,400	€4,000	40%	60%
Member of the Ethics and Corporate Sponsorship Committee	€1,600	€1,200	€2,400	€4,000	40%	60%

(1) The "Fixed component" depends on the effective exercising of the office of Director or Advisory Board member during 2022. It is independent of being present or not at meetings of the Board of Directors or its committees. In the event of the appointment or term of office of a Director or Advisory Board member coming to an end during the fiscal year, the fixed component will be calculated on a pro rata basis.

(2) The "Variable component per meeting" and "Maximum variable component" are determined, for each member, on the basis of actual attendance at the five meetings of the Board of Directors, the seven meetings of the Audit Committee, the two meetings of the Selection and Compensation Committee and the two meetings of the Ethics and Corporate Sponsorship Committee. Variable compensation is not payable in respect of extraordinary meetings of the Board or any of its committees.

(3) This compensation policy complies with the provisions of Article 22.1 of the Afep-Medef Code, which recommends that the variable component make up a majority of total compensation.

Compensation payable to Directors and Advisory Board members in respect of 2023 will be paid no later than December 31, 2023.

2.2. Total compensation of company officers in 2022

Information required by Articles L. 22-10-09 and L. 22-10-34, paragraph II of the French Commercial Code, and reiterating the principles and criteria approved via Resolution 5 and 6 at the Shareholders' Meeting of April 26, 2022.

Compensation payable to Frédéric Gardès, which is determined and paid in accordance with the criteria and principles signed off by the Company's Board of Directors, is paid by Bouygues SA. This compensation and associated social security contributions are billed by Bouygues SA to Colas.

The amounts thus billed strictly reflect the amounts of compensation set by the Company's Board of Directors.

2.2.1. TOTAL ANNUAL COMPENSATION AWARDED TO FRÉDÉRIC GARDÈS IN RESPECT OF HIS OFFICE AS CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Total compensation and benefits in kind

Fixed compensation

In respect of fiscal year 2022, Frédéric Gardès received gross annual fixed compensation of €920,000 for his service as Chairman and Chief Executive Officer of the Company.

Variable compensation

The Board conducted its assessment of Frédéric Gardès' 2022 performance at its meeting of February 21, 2023.

Frédéric Gardès' variable compensation consists of six bonuses.

A target is set for each bonus. When the target is achieved, a variable component corresponding to a percentage of fixed compensation is awarded. If all six targets are achieved, the total of the six variable components is equal to the overall limit of 170% of fixed compensation, equal to a cap of €1,564,000, applicable to variable compensation payable to executive company officers.

If a target is exceeded or is not achieved, the variable component varies linearly within a range. Once again, the total of all six variable components may not in any event exceed the overall limit for executive company officers, which is set at 170% of fixed compensation, equaling €1,564,000.

REPORT ON CORPORATE GOVERNANCE

Compensation of company officers (senior executives and Directors)

The criteria used to determine variable compensation, the weightings allocated to each criterion and the extent to which targets were met are summarized in the table below.

Criteria	Objectives	Variable compensation
		Extent to which target achieved (as observed by the Board of Directors at its meeting of February 21, 2023)
		As% of FC ⁽¹⁾
P1	Group free cash flow before working capital requirement	0%
P2	Group net surplus cash/net debt (excluding significant acquisitions)	0%
P3	Group current operating margin	0%
P4	Consolidated net profit attributable to the Group	0%
P5	Strategic targets concerning the management of major projects	0%
P6	Non-financial criteria linked to the Group's performance in the areas of compliance and CSR and an overall appraisal of the senior executive's management performance	38.8%
TOTAL		38.8% (i.e. €356,960)
CAP		170%

(1) FC = Fixed Compensation.

Stock options

During fiscal year 2022, Frédéric Gardès received options giving the right to subscribe for new Bouygues shares, awarded by Bouygues SA's Board of Directors with effect from June 3, 2022.

The following stock options were awarded to Frédéric Gardès in 2022:

Executive company officer	Granting company	Grant date	Number of options	Exercise price (in euros)	Value
Frédéric Gardès	Bouygues	06/03/2022	35,000	31.771	58,579.50

Benefits in kind

In fiscal year 2022, Frédéric Gardès' benefits in kind consisted of a chauffeur-driven company car, a fixed number of hours of tax advisory services and a supplementary insurance plan.

These benefits in kind are valued at €30,614.

Long-term compensation

Since Frédéric Gardès has an employment contract with Bouygues SA, deferred conditional allotments of existing free shares in Bouygues SA can be allotted to him.

This means he qualifies for the following:

- under the 2021-2023 long-term compensation plan, a maximum of 20,000 Bouygues shares may be allotted after a vesting period of three years (2021, 2022 and 2023), in accordance with the provisions of the French Commercial Code (Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.*) (for more information, refer to the report on corporate governance for fiscal year 2021, section 2.1.2.1.2, "Compensation policy applicable to the Chief Executive Officer from January 1 to February 16, 2021 and to the Chairman and Chief Executive Officer with effect from February 16, 2021");
- under the 2022-2024 long-term compensation plan, a maximum of 20,000 Bouygues shares may be allotted

after a vesting period of three years (2022, 2023 and 2024), in accordance with the provisions of the French Commercial Code (Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.*) (for more information, refer to the report on corporate governance for fiscal year 2021, section 2.1.2.1, "Compensation policy for the Chairman and Chief Executive Officer in 2022").

Exceptional compensation

After consulting with the Selection and Compensation Committee, the Board of Directors has reserved the right to grant exceptional compensation under exceptional circumstances, in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code.

No exceptional compensation was awarded to Frédéric Gardès in respect of 2022.

Compensation of company officers

Like the Company's other Directors, Frédéric Gardès receives compensation from the Company in respect of his duties as a Director, a role which he retains.

Compensation awarded and paid to Frédéric Gardès in respect of his service as a Director in fiscal year 2022 totaled €20,000.

Supplementary pension plan

Group contingent benefit pension plan governed by Article L. 137-11 of the French Social Security Code (benefits in respect of periods of employment prior to January 1, 2020)

Having joined the pension plan prior to July 4, 2019, Frédéric Gardès was eligible for a defined benefit supplementary pension plan governed by Article L. 137-11 of the French Social Security Code.

Provided he concluded his career with the Bouygues group, the Chairman and Chief Executive Officer of TF1 was likely to qualify for an annuity under this plan.

In accordance with French Law No. 2019-486 of May 22, 2019, known as the Pacte Law, and Order No. 2019-697 of July 3, 2019, the pension plan was closed to new members as of July 4, 2019 and current members' benefits were frozen as of December 31, 2019.

As a result of the plan being closed and members' benefits being frozen, no further benefits may be granted to the Company's Chairman and Chief Executive Officer under this pension plan as of January 1, 2020.

Pursuant to Article 5 of Order No. 2019-697 of July 3, 2019, Bouygues SA intends to transfer the contingent benefits under this plan, governed by Article L. 137-11 of the French Social Security Code, to a non-contingent benefit contract covered by Article L. 137-11-2 of the French Social Security Code with the same characteristics as the non-contingent benefit pension plan described below. As a result of that transfer, the pension benefits acquired under this plan will no longer be contingent upon the recipient concluding their career with the Company.

In any event, no benefits may be transferred to the recipient over and above the limit of 30% of his average annual compensation subject to social security contributions over the last three years under the plan governed by Article L. 137-11 of the French Social Security Code.

Non-contingent benefit pension plan governed by Article L. 137-11-2 of the French Social Security Code (benefits in respect of periods of employment subsequent to January 1, 2020)

Considering the closure of the plan and the freezing of contingent benefits under the defined-benefit pension plans covered by Article L. 137-11 of the French Social Security Code, the Bouygues group's Board of Directors on November 13, 2019 and February 19, 2020 decided, on the recommendation of the Selection and Compensation Committee, to set up a new vested pension plan in accordance with the legal provisions in force (Article L. 137-11-2 of the French Social Security Code).

This plan enables members of the Executive Management Committee who have not reached the limit established by the Board of Directors to accrue pension benefits in respect of periods of employment subsequent to January 1, 2020 such

that they can acquire the same level of annuity benefits (0.92% per year) as under the plan previously in force at Bouygues and subject to the performance conditions set out below.

In accordance with new regulations, pension benefits will vest annually and will no longer be contingent upon the recipient concluding their career at the Company. Frédéric Gardès is eligible for this new pension plan.

The characteristics of the supplementary pension plan are as follows:

1. Conditions for joining the pension plan and other conditions in order to qualify for it: must be a member of Bouygues' Executive Management Committee and have at least three years' length of service with a Bouygues group company;
2. Reference compensation equal to the sum of gross annual fixed compensation and gross annual variable compensation;
3. Rate of acquisition of benefits: annually;
4. Annual limit on vesting of pension benefits: 0.92% of reference compensation;
5. Overall limit: eight times the annual social security cap (€329,088 in 2021);
6. Overall limit on vested benefits under all plans governed by Article L. 137-11-2 of the French Social Security Code: 30 points;
7. Funded through an insurance company to which a premium is paid each year;
8. Performance conditions:

Performance conditions for 2022 were as follows:

- Target for fiscal year 2022 that average consolidated net profit attributable to the group for fiscal years 2022, 2021 and 2020 ("Average Net Profit Attributable to the Group") be no more than 10% below the average consolidated net profit of the Group stated in the 2022, 2021 and 2020 plans.

This target is split 50/50 between Colas Group targets and Bouygues group targets.

Method for determining acquisition of pension benefits on the basis of performance and by target:

- if Average Net Profit Attributable to the Group is greater than or equal to Target: annual pension benefits = 0.46% of reference salary;
- if Average Net Profit Attributable to the Group is more than 10% below Target: annual pension benefits = zero.

Between the lower limit and the upper limit, pension benefits awarded in respect of each target vary linearly from 0% to 0.46% of reference compensation.

The amount of annuities paid out under pension plans covered by Articles L. 137-11 (contingent benefit plan) and L. 137-11-2 (non-contingent benefit plan) of the French Social Security Code in force within the Company is limited to eight times the annual French Social Security cap (€329,088 in 2022).

Compensation paid or awarded by a company included within the consolidated Group within the meaning of Article L. 233-16 of the French Commercial Code

Frédéric Gardès received compensation in respect of his duties as a Director at Group companies as set out below:

Company included in the consolidated Group paying compensation to Frédéric Gardès	Gross compensation paid in 2022 (in respect of an office held in 2022 and/or before 2022)	Gross compensation awarded in 2022 in respect of an office held in 2022
Colas Inc.	\$8,000 (approximately €7,300) in respect of his service as a Director in 2021	\$8,000 (approximately €7,300) <i>in respect of his service as a Director in 2022 (paid in 2023)</i>
Colas Canada	2,500 CAD (approximately €1,700) in respect of his service as a Director in 2021	5,000 CAD (approximately €3,400) in respect of his service as a Director in 2022 (paid in 2023)
Tipco Asphalt (Tasco)	3,062,500 THB (approximately €85,400) in respect of his service as a Director in 2020, 2021 and 2022 <i>Breakdown:*</i> <i>862,500 THB (approximately €24,000) for 2020</i> <i>1,200,000 THB (approximately €33,400) for 2021</i> <i>1,000,000 THB (approximately €28,000) for 2022</i>	1,000,000 THB (approximately €28,000) in respect of his service as a Director in 2022 (paid in 2022)
TOTAL	€94,400	€38,700

* In 2022, Frédéric Gardès received compensation payable in respect of fiscal years 2020, 2021 and 2022. Payment of this compensation was subject to his being present in Thailand.

Respective level of components of compensation

Fixed compensation accounted for 69% of total compensation in 2022.

Variable compensation accounted for 31% of total compensation in 2022.

Pay ratio and changes in performance

In accordance with the provisions of Article L. 22-10-9 (paragraphs 6 and 7), the pay ratio (the ratio of the Chief Executive Officer's compensation to the mean and median compensation paid to employees of the Company) and the performance ratio (the annual change in compensation,

performance and average compensation on a full-time equivalent basis of employees other than senior executives, in addition to the pay ratio) are set out below.

Frédéric Gardès was appointed Chief Executive Officer of the Company on May 14, 2019, and Chairman and Chief Executive Officer on February 16, 2021.

These ratios were determined by taking into account the total compensation due or awarded during the fiscal year.

Furthermore, the scope used is that of Colas SA and all its consolidated subsidiaries and investments located in Mainland France.

Pay ratio of compensation paid to Frédéric Gardès in respect of his position as Chairman and Chief Executive Officer and mean and median compensation paid to employees of the Company and all its consolidated subsidiaries and investments located in Mainland France over the past five fiscal years

2022		2021		2020		2019		2018	
Ratio to mean employee compensation	Ratio to median employee compensation	Ratio to mean employee compensation	Ratio to median employee compensation	Ratio to mean employee compensation	Ratio to median employee compensation	Ratio to mean employee compensation	Ratio to median employee compensation	Ratio to mean employee compensation	Ratio to median employee compensation
57.30	67.07	45.16	53.39	37.46	45.03	26.54	32.13	N/A	N/A

Change in compensation paid to Frédéric Gardès in respect of his position as Chairman and Chief Executive Officer ⁽¹⁾, average compensation paid to employees of the Company, and performance of the Company and all its consolidated subsidiaries and investments located in Mainland France over the past five fiscal years ⁽²⁾

Annual change		2018/2017	2019/2018	2020/2019	2021/2020	2022/2021
Annual compensation		N/A	N/A	+36%	+22.4%	+37.2%
Performance of the Company	Current operating income	+3%	+16%	-41%	+73%	+4.7%
	Net profit attributable to the Group	-31%	+15%	-64%	+178%	+15.2%
Average employee compensation		+2.6%	+3.1%	+2.1%	+1.5%	+7.9%
Pay ratio	Ratio to mean employee compensation	N/A	N/A	+41.1%	+20.6%	+27.2%
	Ratio to median employee compensation	N/A	N/A	+40.1%	+18.6%	+25.9%

(1) February 16, 2021, appointment of Frédéric Gardès as Chairman and Chief Executive Officer.

(2) In 2019, in light of Frédéric Gardès' appointment as Chief Executive Officer on May 14, 2019, all of his compensation was taken into account (under his employment contract for the period from January 1 to May 14, 2019 and under his term of office as Chief Executive Officer for the period after May 14).

Implementation of last vote at a Shareholders' Meeting

At the Annual Shareholders' Meeting of April 26, 2022, the shareholders approved Resolution 7 on information laid down in Article L. 22-10-9 of the French Commercial Code relating to components of compensation paid or allotted to company officers in respect of the fiscal year ended December 31, 2021.

At that same meeting, the shareholders also approved the compensation policy for 2022 (Resolutions 5 and 6) as well as the fixed and variable components making up total compensation and benefits paid or allotted to each company officer in respect of the fiscal year ended December 31, 2021 (Resolutions 8 and 9).

The components of compensation paid or awarded to Frédéric Gardès in respect of fiscal year 2022 are consistent with the compensation policy approved by the shareholders.

Consistency of compensation paid with compensation policy

The components of compensation paid to Frédéric Gardès are consistent with the principles and criteria governing compensation payable to the Chairman and Chief Executive Officer as approved at the Shareholders' Meeting of April 26, 2022.

Suspension of compensation payable to Directors

Since the composition of the Board of Directors is in accordance with the provisions of Article L. 22-10-3 of the French Commercial Code, payment of the compensation laid down in the first paragraph of Article L. 225-45 of that code has not been suspended.

2.2.2. TOTAL ANNUAL COMPENSATION OF DIRECTORS FOR FISCAL YEAR 2022

Total compensation and benefits in kind

Compensation awarded to the Directors in respect of fiscal year 2022 is as follows:

Directors and Advisory Board members	Source	2022	2021
Frédéric Gardès Chairman and Chief Executive Officer ⁽¹⁾	Colas SA	€20,000	€15,200
	Consolidated subsidiaries of Colas SA	€38,700	€44,400
Subtotal: Executive company officers, Directors	Colas SA	€20,000	€15,200
	Consolidated subsidiaries of Colas SA	€38,700	€44,400
	Subtotal	€58,700	€59,600
Olivier Roussat Director	Colas SA	€20,000	€20,000
	Consolidated subsidiaries of Colas SA	/	/
Olivier Bouygues Director ⁽²⁾	Colas SA	€5,940	€17,600
	Consolidated subsidiaries of Colas SA	/	/
Cyril Bouygues Director ⁽³⁾	Colas SA	€14,060	N/A
	Consolidated subsidiaries of Colas SA	/	N/A
Pascal Grangé Permanent representative of Bouygues SA	Colas SA	€24,000	€24,000
	Consolidated subsidiaries of Colas SA	/	/
Arnaud Van Eeckhout Director ⁽⁴⁾	Colas SA	€22,068	€28,000
	Consolidated subsidiaries of Colas SA	/	/
Didier Casas Director ⁽⁵⁾	Colas SA	€5,012	N/A
	Consolidated subsidiaries of Colas SA	/	N/A
Colette Lewiner Director	Colas SA	€29,120	€32,000
	Consolidated subsidiaries of Colas SA	/	/
Catherine Ronge Director	Colas SA	€28,000	€26,800
	Consolidated subsidiaries of Colas SA	/	/
Stéphanie Rivoal Director ⁽⁶⁾	Colas SA	€24,000	€18,240
	Consolidated subsidiaries of Colas SA	/	/
Martine Gavelle Director ⁽⁷⁾	Colas SA	N/A	€15,600
	Consolidated subsidiaries of Colas SA	N/A	/
Subtotal: Other Directors	Colas SA	€172,200	€182,240
	Consolidated subsidiaries of Colas SA	/	€0
	Subtotal	€172,200	€182,240
DIRECTORS: GRAND TOTAL	Colas SA ⁽⁸⁾	€192,200	€197,440
	Consolidated subsidiaries of Colas SA ⁽⁹⁾	€38,700	€44,400
	Total	€230,900	€241,840

(1) Frédéric Gardès was appointed Chief Executive Officer of the Company on May 14, 2019, and Chairman and Chief Executive Officer on February 16, 2021.

(2) Olivier Bouygues served as Director until February 22, 2022.

(3) Cyril Bouygues was co-opted as Director on February 22, 2022, to replace Olivier Bouygues (co-option ratified by the Shareholders' Meeting of April 26, 2022).

(4) Arnaud Van Eeckhout served as Director until October 17, 2022.

(5) Didier Casas was co-opted as Director on November 15, 2022, to replace Arnaud Van Eeckhout (co-option subject to ratification at the Shareholders' Meeting of April 25, 2023).

(6) Stéphanie Rivoal was appointed as Director on April 20, 2021.

(7) Martine Gavelle served as Director until April 20, 2021.

(8) Compensation paid in 2022.

(9) For the payment date, see the section of this report entitled "Compensation paid or awarded by a company included within the consolidated Group within the meaning of Article L. 233-16 of the French Commercial Code".

Respective level of components of compensation

The Directors received no variable or exceptional compensation in respect of fiscal year 2022.

Implementation of last vote at a Shareholders' Meeting

At the Annual Shareholders' Meeting of April 26, 2022, the shareholders approved Resolution 7 on information laid down in Article L. 22-10-9 of the French Commercial Code relating to components of compensation paid or allotted to company officers in respect of the fiscal year ended December 31, 2021.

At that same meeting, the shareholders also approved the compensation policy for 2022 (Resolutions 5 and 6) as well as the fixed and variable components making up total compensation and benefits paid or allotted to each company officer in respect of the fiscal year ended December 31, 2021 (Resolutions 8 and 9).

The compensation awarded to the Directors in respect of fiscal year 2022 is consistent with the compensation policy approved by the shareholders.

Consistency of compensation paid with compensation policy

The components of compensation for Directors are consistent with the principles and criteria for the compensation of Directors and any Advisory Board members as approved at the Shareholders' Meeting of April 26, 2022.

Suspension of compensation payable to Directors

Since the composition of the Board of Directors is in accordance with the provisions of Article L. 22-10-3 of the French Commercial Code, payment of the compensation laid down in the first paragraph of Article L. 225-45 of that code has not been suspended.

2.3. Summary of components of compensation paid to company officers

In accordance with Appendix 4 of the Afep-Medef Code, a summary of compensation paid to officers of the Company is set out below.

TABLE 1 – SUMMARY OF COMPENSATION, STOCK OPTIONS AND SHARES AWARDED TO EXECUTIVE COMPANY OFFICERS

Executive company officer	2022	2021
Frédéric Gardès (Chief Executive Officer since May 14, 2019 and Chairman and Chief Executive Officer since February 16, 2021)		
Compensation payable in respect of the fiscal year (see Table 2)	€1,366,274	€2,178,154
Value of options granted during the fiscal year (see Table 4)	€58,579.50	€121,908.50
Value of performance shares granted during the fiscal year (see Table 6)	/	/
Valuation of long-term compensation plans	/(2)	/(1)
TOTAL	€1,424,853.50	€2,300,062.50
Olivier Roussat (Chairman of the Board of Directors until February 16, 2021)		
Compensation payable in respect of the fiscal year (see Table 2)	N/A	€40,000
Value of options granted during the fiscal year (see Table 4)	N/A	/
Value of performance shares granted during the fiscal year (see Table 6)	N/A	/
TOTAL	N/A	€40,000

(1) Frédéric Gardès qualifies for long-term compensation (2021-2023 plan) in the form of deferred conditional allotments of existing free shares in Bouygues SA. Under this long-term compensation plan, a maximum of 20,000 Bouygues shares may be allotted to Frédéric Gardès after a vesting period of three years (2021, 2022 and 2023), in accordance with the provisions of the French Commercial Code (Articles L. 225-197-1 et seq. and L. 22-10-59 et seq.).

(2) Frédéric Gardès qualifies for long-term compensation (2022-2024 plan) in the form of deferred conditional allotments of existing free shares in Bouygues SA. Under this long-term compensation plan, a maximum of 20,000 Bouygues shares may be allotted to Frédéric Gardès after a vesting period of three years (2022, 2023 and 2024), in accordance with the provisions of the French Commercial Code (Articles L. 225-197-1 et seq. and L. 22-10-59 et seq.).

TABLE 2 – COMPENSATION PAID TO EXECUTIVE COMPANY OFFICERS

Executive company officer	2022	2021
Frédéric Gardès (Chief Executive Officer since May 14, 2019 and Chairman and Chief Executive Officer since February 16, 2021)		
Fixed compensation	€920,000	€920,000
Variable compensation awarded in respect of the fiscal year	€356,960	€1,188,640
Exceptional compensation	/	/
Compensation awarded in respect of service as a Director of the Company or its consolidated subsidiaries	€58,700	€59,600
Benefits in kind	€30,614	€9,914
TOTAL	€1,366,274	€2,178,154
Olivier Roussat (Chairman of the Board of Directors until February 16, 2021)		
Fixed compensation	N/A	€20,000
Variable compensation awarded in respect of the fiscal year	N/A	/
Exceptional compensation	N/A	/
Compensation awarded in respect of service as a Director of the Company or its consolidated subsidiaries	N/A	€20,000
Benefits in kind	N/A	/
TOTAL	N/A	€40,000

TABLE 3 – COMPENSATION PAID TO DIRECTORS AND ADVISORY BOARD MEMBERS

Company officers	2022	2021
Frédéric Gardès (Director since February 16, 2021)	€20,000	€15,200
Olivier Roussat	€20,000	€20,000
Olivier Bouygues (Director until February 21, 2022)	€5,940	€17,600
Cyril Bouygues (Director since February 21, 2022)	€14,060	N/A
Pascal Grangé, permanent representative of Bouygues SA	€24,000	€24,000
Arnauld Van Eeckhout (Director until October 17, 2022)	€22,068	€28,000
Didier Casas (Director since November 15, 2022)	€5,012	N/A
Colette Lewiner	€29,120	€32,000
Catherine Ronge	€28,000	€26,800
Stéphanie Rivoal (Director since April 20, 2021)	€24,000	€18,240
Martine Gavelle (Director until April 20, 2021)	N/A	€15,600
TOTAL	€192,200	€197,440

TABLE 4 – STOCK OPTIONS AWARDED TO EXECUTIVE COMPANY OFFICERS IN 2022

Executive company officer	Granting company	Grant date	Number of options	Exercise price (in euros)	Value
Frédéric Gardès	Bouygues	06/03/2022	35,000	31.771	58,579.50

TABLE 5 – SHARE SUBSCRIPTION OPTIONS EXERCISED BY EXECUTIVE COMPANY OFFICERS IN 2022

Frédéric Gardès, Chairman and Chief Executive Officer, did not exercise any share subscription options.

TABLE 6 – PERFORMANCE SHARES GRANTED TO EXECUTIVE COMPANY OFFICERS

No performance share plans were awarded to the executive company officers during fiscal year 2022.

TABLE 7 – PERFORMANCE SHARES MADE AVAILABLE DURING THE FISCAL YEAR TO EXECUTIVE COMPANY OFFICERS

No performance shares were made available since no performance shares were granted to executive company officers.

TABLE 8 – HISTORY OF STOCK OPTION AWARDS

	2022	2021	2020	2019	2018	2017	2016	2015
Date of Bouygues SA Shareholders' Meeting	04/28/2022	04/22/2021	04/25/2019	04/25/2019	04/26/2018	04/27/2017	04/21/2016	04/23/2015
Grant date	06/03/2022	06/02/2021	10/08/2020	05/31/2018	06/01/2018	06/01/2017	05/30/2016	05/28/2015
Number of options granted to persons working at Colas	874,000	853,000	910,000	822,000	817,000	810,000	800,000	800,000
– of which: Executive company officers and salaried Directors ⁽¹⁾	35,000	35,000	80,000	157,000	80,000	80,000	80,000	80,000
Frédéric Gardès	35,000	35,000	80,000	22,000	N/A	N/A	N/A	N/A
– of which: Top ten employee recipients	134,000	133,000	129,500	136,000	130,000	140,000	120,000	120,000
Original exercise price before adjustment	€31.771	€34.157	€30.53	€32.591	€41.57	€37.99	€29.00	€37.106
Earliest exercise date	06/04/2024	06/03/2023	10/09/2022	06/01/2021	06/02/2020	06/02/2019	05/31/2018	05/29/2017
Expiration date	06/03/2032	06/02/2031	10/08/2030	05/31/2029	06/01/2028	06/01/2027	05/30/2026	05/28/2025

(1) There have been no salaried Directors since 2014.

TABLE 9 – HISTORY OF PERFORMANCE SHARE AWARDS

No performance shares have been awarded to the executive company officers.

TABLE 10 – MULTI-YEAR VARIABLE COMPENSATION PAID TO EXECUTIVE COMPANY OFFICERS

No deferred or multi-year variable compensation is awarded to executive company officers.

TABLE 11 – OTHER INFORMATION ABOUT THE EXECUTIVE COMPANY OFFICERS

	Employment contract		Supplementary pension plan		Compensation or benefits due or potentially due as a result of termination or change in position		Compensation relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Executive company officers								
Frédéric Gardès Position: Chairman and Chief Executive Officer		X ⁽¹⁾	X			X		X

(1) Frédéric Gardès is an employee of Bouygues SA.

3. Agreements entered into between senior executives or shareholders of Colas and its direct or indirect subsidiaries

In accordance with the provisions of Article L. 225-37-4 of the French Commercial Code, all agreements entered into are hereby disclosed, whether directly or through an intermediary, between an officer or shareholder of the Company holding more than 10% of the voting rights, and another company controlled by the Company (apart from agreements relating to routine transactions and entered into at arm's length).

To the Company's knowledge, the only agreements falling within the scope of these legal provisions are tax consolidation agreements entered into between Bouygues SA and some direct and indirect subsidiaries.

Subsidiary	Year of inclusion in the tax consolidation Group
COLAS FRANCE	2001
COLAS NORD-EST	2001
COLAS ILE-DE-FRANCE NORMANDIE	2001
COLAS MARTINIQUE	2001
COLAS MIDI-MÉDITERRANÉE	2001
COLAS NORD-PICARDIE	2001
COLAS RHÔNE-ALPES AUVERGNE	2001
COLAS SUD-OUEST	2001
GTOI	2001
COLAS RAIL	2001
AXIMUM	2001
SPAC	2001
SGTE	2010
PERRIER TP	2010
RIBAL TRAVAUX PUBLICS	2011
SOGETRA	2012
SRD	2014
AXIMUM INDUSTRIE	2015
AXIMUM PRODUITS DE SÉCURITÉ	2015
CARRIÈRES ET MATÉRIAUX GRAND OUEST (CMGO)	2015
COLAS MAYOTTE	2016
ETPC	2016
CARRIÈRES ET MATERIAUX DU SUD EST (CMSE)	2018
COLAS PROJECTS	2018

The Board of Directors has not been advised of any other agreements that fall within the framework of Article L. 225-37-4 paragraph 2 of the French Commercial Code.

4. Summary table of delegations of powers concerning capital increases

The table below provides a summary of current financial authorizations granted by the Shareholders' Meeting to the Board of Directors for the purposes of buying back shares, increasing or reducing the share capital, or awarding share subscription or purchase options.

Only the authorization to trade in the Company's shares was used in 2022.

Purpose of authorization	Nominal cap	Maturity/ Duration	Usage in 2022
Share buybacks and reduction in share capital			
1. Buying back by the Company of its own shares (SM of April 26, 2022, Resolution 13)	1% of share capital, total cost capped at €58,778,100	October 26, 2023 (18 months)	5,288 shares bought ⁽¹⁾ 5,164 shares sold* (under the liquidity agreement)
2. Reducing share capital by retiring shares (SM of April 26, 2022, Resolution 15)	10% of share capital per 24-month period	October 26, 2022 (18 months)	None
Issue of securities			
3. Carrying out capital increases with preferential subscription rights for existing shareholders (SM of April 20, 2021, Resolution 21)	Capital increase: €10 million Issue of debt securities: €10 million	June 20, 2023 (26 months)	None
4. Carrying out capital increases by way of a public offering without preferential subscription rights for existing shareholders (SM of April 20, 2021, Resolution 22)	Capital increase: €10 million Issue of debt securities: €10 million	June 20, 2023 (26 months)	None
5. Carrying out capital increases for the purpose of issuing, by way of an offering to the persons referred to in section II of Article L. 411-2 of the French Monetary and Financial Code, shares and investment securities giving access to the Company's share capital, without preferential subscription rights (SM of April 20, 2021, Resolution 23)	Capital increase: €10 million and 20% of share capital per 12-month period Issue of debt securities: €10 million	June 20, 2023 (26 months)	None
6. Raising the number of new shares to be issued in the event of a capital increase with or without preferential subscription rights for existing shareholders (Shareholders' Meeting of April 20, 2021, Resolution 24)	15% of the initial issue	June 20, 2023 (26 months)	None
7. Increasing the share capital through the capitalization of share premiums, reserves or earnings (Shareholders' Meeting of April 20, 2021, Resolution 25)	€10 million	June 20, 2023 (26 months)	None

(1) Trading position.

REPORT ON CORPORATE GOVERNANCE

Summary table of delegations of powers concerning capital increases

The table below provides a summary of the financial authorizations and delegations requested at the Shareholders' Meeting of April 25, 2023.

Purpose of authorization/delegation	Nominal cap	Maturity/ Duration
Share buybacks and reduction in share capital		
1. Authorization granted to the Board of Directors to allow the Company to carry out transactions in its own shares (Resolution 16)	5% of share capital, total cost capped at €293,890,320	October 25, 2024 (18 months)
Issue of securities		
2. Authorization given to the Board of Directors to reduce the share capital by retiring Company shares that the Company owns (Resolution 18)	10% of share capital per 24-month period	October 25, 2024 (18 months)
3. Delegation of authority granted to the Board of Directors to increase the share capital with preferential subscription rights (Resolution 19)	Capital increase: €10 million Issue of debt securities: €10 million	June 25, 2025 (26 months)
4. Delegation of authority granted to the Board of Directors to increase the share capital through the capitalization of share premiums, reserves or earnings (Resolution 20)	Capital increase: €10 million Issue of debt securities: €10 million	June 25, 2025 (26 months)
5. Delegation of authority granted to the Board of Directors to increase the share capital by way of a public offering other than those mentioned in Article L. 411-2 1° of the French Monetary and Financial Code without preferential subscription rights (Resolution 21)	Capital increase: €10 million and 10% of share capital per 12-month period Issue of debt securities: €10 million	June 25, 2025 (26 months)
6. Delegation of authority granted to the Board of Directors to increase the share capital by way of a public offer as stated in Article L. 411-2 1° of the French Monetary and Financial Code without preferential subscription rights (Resolution 22)	Capital increase: €10 million and 10% of share capital per 12-month period Issue of debt securities: €10 million	June 25, 2025 (26 months)
7. Authorization given to the Board of Directors to set the issue price in the event of a capital increase without preferential subscription rights (Resolution 23)	10% of the share capital	June 25, 2025 (26 months)
8. Delegation of authority granted to the Board of Directors to increase the number of shares to be issued in the event of a capital increase (Resolution 24)	15% of the initial issue	June 25, 2025 (26 months)

5. Information that may have an impact in the event of a public offer

5.1. Shareholding structure

The Company's shareholding structure (trading position) at December 31, 2022 was as follows:

Shareholder	Shares					
	As of December 31, 2022		As of June 30, 2022		As of December 31, 2021	
	Number of shares	%	Number of shares	%	Number of shares	%
Bouygues SA	31,612,151	96.81	31,612,151	96.81	31,612,111	96.81
"Colas en actions" FCPE investment fund	218,251	0.67	222,983	0.68	220,217	0.68
Colas Shares FCPE investment fund	4,840	0.01	4,840	0.01	4,705	0.01
Other	806,310	2.50	802,022	2.46	804,643	2.46
Colas SA (treasury shares)	12,947	0.01	12,503	0.04	12,823	0.04
TOTAL	32,654,499	100%	32,654,499	100%	32,654,499	100%

Shareholder	Voting rights					
	As of December 31, 2022		As of June 30, 2022		As of December 31, 2021	
	Number of votes	%	Number of votes	%	Number of votes	%
Bouygues SA	63,223,797	98.04	63,223,797	98.06	63,155,333	96.81
"Colas en actions" FCPE investment fund	431,931	0.67	436,663	0.68	440,434	0.68
Colas Shares FCPE investment fund	9,480	0.01	9,310	0.01	9,175	0.01
Other	812,708	1.26	807,808	1.25	823,415	2.46
Colas SA (treasury shares)	/	/	/	/	/	0.04
TOTAL	64,477,916	100%	64,477,578	100%	64,415,534	100%

5.2. Limitations under the bylaws on the exercise of voting rights and transfers of shares

To the Company's knowledge, there are no limitations on the exercise of voting rights and transfers of shares.

5.3. Direct or indirect shareholdings in the Company of which it is aware in accordance with Articles L. 233-7 and L. 233-12 of the French Commercial Code

Colas SA is controlled by Bouygues SA, which holds around 96.81% of share capital.

Colas SA does not have any shareholdings in Bouygues SA.

5.4. List of holders of any securities with special control rights and description of those rights

In accordance with current legal provisions and the provisions of Article 31 "Voting rights and quorum" of the bylaws, a double voting right conferred on other shares on the basis of the share capital they represent is attributed to all fully paid-up shares for which proof is provided of registration for at least two years in the name of the same shareholder.

Colas SA is controlled by Bouygues SA, which held around 96.81% of share capital as of December 31, 2022, equal to 31,612,151 shares entitling it to 63,223,797 voting rights.

5.5. Control mechanism provided under an employee shareholding plan

To the Company's knowledge, there is no control mechanism relating to the employee shareholding plan.

5.6. Agreement between shareholders that may result in restrictions on the transfer of shares and the exercise of voting rights

To the Company's knowledge, there is no agreement between shareholders that may result in restrictions on the transfer of shares and the exercise of voting rights.

5.7. Rules applicable to the appointment and replacement of members of the Board of Directors and amendment of the bylaws

APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS

In accordance with the provisions of Articles 13, 14 and 15 of the bylaws, the Company is administered by a Board of Directors comprising at least three and no more than eighteen members appointed by the Shareholders' Meeting. Legal entities can be members of the Board of Directors. Upon their appointment, they must appoint a permanent representative who is subject to the same conditions and obligations and incurs the same liabilities as if they were a Director in their own name, without prejudice to the joint and several liability of the legal entity they represent. An employee of the Company can only be appointed as a Director if their employment contract pre-dates their appointment and corresponds to actual employment. Any appointment made in violation of this provision is null and void; however, this does not render null and void the deliberations in which the irregularly appointed Director has taken part. The number of Directors linked to the Company by an employment contract cannot exceed one-third of Directors in office.

Directors are appointed for two-year terms. The Board of Directors shall be renewed at each annual Shareholders' Meeting, alternating between one or more members, if applicable, so that the Board can be completely renewed in two years, done as equally as possible according to the number of members. All outgoing members can be re-appointed.

If a seat becomes vacant as a result of death or resignation during the period between two Shareholders' Meetings, the Board of Directors may make a provisional replacement. The Director appointed to replace another Director shall only remain in office for the remaining term of his/her predecessor's directorship. Provisional appointments of Directors are subject to ratification at the next Ordinary Shareholders' Meeting. If they are not ratified, deliberations and acts carried out previously by the Board shall remain valid. If just two Directors remain in office, the Shareholders' Meeting must be immediately convened by the Directors or, as necessary, by the Statutory Auditors in order to complete the Board.

AMENDMENT OF THE BYLAWS

The bylaws may only be amended, unless otherwise required by law, on the basis of a decision by the Extraordinary Shareholders' Meeting. A proposal was submitted to the Shareholders' Meeting of April 25, 2023 recommending the authorization of the Board of Directors to make any amendments necessary to the bylaws to ensure their compliance with legal and regulatory provisions; any amendments to the bylaws will therefore be subject to ratification at the next Extraordinary Shareholders' Meeting.

5.8. Powers of the Board of Directors

In accordance with the provisions of Article 19 "Powers of the Board of Directors", the Board of Directors determines the Company's business strategy and oversees its implementation. Subject to the powers expressly attributed to Shareholders' Meetings and within the limits of the Company's purpose, it handles all matters relating to the proper operation of the Company and settles matters concerning the Company by means of its deliberations. In relations with third parties, the Company is bound even by the acts of the Board of Directors that do not fall within the scope of its corporate purpose unless it can prove that the third party knew that the act was outside its corporate purpose or that it could not have been unaware of this given the circumstances, it being excluded that the mere publication of the bylaws constitutes sufficient proof thereof. The Board of Directors carries out any controls and verifications it deems appropriate. The Chairman or the Chief Executive Officer of the Company is responsible for providing all Directors with all documents and information needed to perform their duties. The Board of Directors sets the level of compensation paid to the Chairman and the Chief Executive Officer, and determines the benefits and ancillary benefits to which they are entitled.

In addition, the Board of Directors benefits from the financial authorizations set out above (see the summary table of current delegations of powers included in this report).

5.9. Agreements entered into by the Company that are amended or end in the event of change of ownership

To the Company's knowledge, there are no significant agreements or commitments entered into by the Company that would be amended or end in the event of change of ownership.

5.10. Agreements providing for compensation for members of the Board of Directors or employees, if they resign or are made redundant without real and serious cause or if their employment ends because of a public tender or exchange offer

To the Company's knowledge, there are no agreements providing for compensation for members of the Board of Directors or employees if they resign or are made redundant without real and serious cause or if their employment ends because of a public tender or exchange offer.

The Board of Directors

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R E S O L U T I O N S

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1. AGENDA

1.1. Ordinary Shareholders' Meeting Resolutions

- Approval of the annual parent company financial statements;
- Approval of the annual consolidated financial statements;
- Earnings and earnings appropriation;
- Approval of the agreements and commitments specified in Articles L. 225-38 et seq. of the French Commercial Code;
- Approval of the compensation policy for Directors and Advisory Board members;
- Approval of the compensation policy for the Chairman and Chief Executive Officer;
- Approval of the compensation disclosures concerning company officers required by Article L. 22-10-9-1 of the French Commercial Code;
- Approval of the items of compensation and benefits paid during or awarded in respect of fiscal year 2022 to Frédéric Gardès, Chairman and Chief Executive Officer;
- Ratification of the co-option of Didier Casas as Director on November 15, 2022, to replace Arnould Van Eeckhout for the remainder of the latter's term;
- Renewal of Frédéric Gardès' term of office as Director;
- Renewal of Bouygues SA's term of office as Director;
- Renewal of Olivier Roussat's term of office as Director;
- Renewal of Cyril Bouygues' term of office as Director;
- Renewal of Colette Lewiner's term of office as Independent Director;
- Appointment of Anne-Christine Champion as an Independent Director to replace Stéphanie Rivoal;
- Authorization granted to the Board of Directors to allow the Company to carry out transactions in its own shares;
- Powers to carry out legal requirements.

1.2. Extraordinary Shareholders' Meeting resolutions

- Authorization given to the Board of Directors to reduce the share capital by retiring Company shares that the Company owns;
- Delegation of authority to the Board of Directors to increase the share capital with preferential subscription rights for existing shareholders;
- Delegation of authority to be given to the Board of Directors to increase the share capital through the capitalization of share premiums, reserves or earnings;
- Delegation of authority to the Board of Directors to increase the share capital by way of a public offering other than those covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders;
- Delegation of authority to the Board of Directors to increase the share capital by way of a public offering covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders;
- Authorization given to the Board of Directors to set the issue price in the event of a capital increase without preferential subscription rights for existing shareholders;
- Delegation of authority to the Board of Directors to raise the number of new shares to be issued in the event of a capital increase;
- Delegation of authority to the Board of Directors for the purposes of amending the bylaws to ensure compliance;
- Extension of the Company's term of existence and corresponding amendment to Article 5 of the Company's bylaws;
- Option for the Board of Directors to be consulted *via* written consultation and corresponding amendments to Articles 17 and 18 of the Company's bylaws;
- Amendment of Directors' term of office and corresponding amendment to Article 14 of the Company's bylaws;
- Amendment of Advisory Board members' term of office and corresponding amendment to Article 23 of the Company's bylaws;
- Powers to carry out legal requirements.

2. REPORT ON THE RESOLUTIONS TO BE SUBMITTED TO THE SHAREHOLDERS' MEETING

This report presents the subject and purpose of the draft resolutions to be submitted to the Company's Combined Shareholders' Meeting on April 25, 2023.

2.1. Resolutions for the Ordinary Shareholders' Meeting

RESOLUTIONS 1, 2 AND 3

Approval of the parent company and consolidated financial statements, appropriation of fiscal year 2022 earnings and setting of the dividend (7.35 euros per share)

Subject and purpose

Approve:

- the individual (parent company) financial statements for fiscal year 2022 showing net profit of 339,312,825.36 euros; and
- the consolidated financial statements for fiscal year 2022 showing net profit attributable to the Group of 301 million euros.

The detailed financial statements are provided in the 2022 annual report and are available for download at www.colas.com.

The amount available for distribution, which consists of net profit of 339,312,825.36 euros plus retained earnings brought forward of 868,521,060.34 euros, amounts to 1,207,833,885.70 euros.

The Board of Directors proposes the payout of a total dividend of 240,010,567.65 euros and the transfer of the remaining balance of 967,823,318.05 euros to retained earnings. The payout represents a dividend of 7.35 euros per share, for each of the 32,654,499 existing shares. For individuals, this dividend is optionally eligible for the 40% tax allowance provided for under Article 158-3-2° of the French General Tax Code. The dividend would be paid as of May 4, 2023.

RESOLUTION 4

Approval of regulated agreements and commitments

Subject and purpose

Approve the regulated agreements entered into directly or indirectly during fiscal year 2022 between Colas and:

- one of its company officers (senior executives, Directors);
- a company in which a company officer of Colas is also appointed as a company officer;
- a shareholder holding more than 10% of Colas' voting rights.

As required by law, these agreements were given prior approval by the Board of Directors before they were entered into, with the Directors concerned not taking part in the proceedings.

The special report of the Statutory Auditors on regulated agreements is included in this annual report. The agreements stated in the special report already approved by previous shareholders' meetings will not be submitted for another vote at the Shareholders' Meeting.

Shared service agreement with Bouygues

Persons concerned

Frédéric Gardès (Chairman and Chief Executive Officer); Olivier Roussat (Director); Olivier Bouygues (Director); Pascal Grangé, permanent representative of Bouygues SA (Director); and Didier Casas (Director).

Purpose

This agreement sets out the terms and conditions under which Bouygues provides various services to Colas, principally in areas of management, human resources, information technology, finance and legal affairs.

Term of agreement

At its meeting of November 15, 2022, the Board of Directors authorized the renewal of this agreement for a further period of one year commencing on January 1, 2023.

Financial terms

The principle behind this agreement is based on the rules for allocating and invoicing shared services costs, including specific services, and the assumption of a residual share of the costs up to a limit linked to a percentage of Colas' revenue. A margin of 10% is invoiced to Colas on the share of the residual amount for high value-added services and of 5% for low value-added services.

Reasons justifying the interest of this agreement for Colas

Shared service agreements are customary within groups of companies. Under this agreement, Colas receives various services provided by Bouygues in return for a fee in areas including management, human resources, information technology and finance.

Aircraft charter agreement with Airby

Persons concerned

Frédéric Gardès (Chairman and Chief Executive Officer); Olivier Roussat (Director); Olivier Bouygues (Director); Pascal Grangé, permanent representative of Bouygues SA (Director); and Didier Casas (Director).

Purpose

This agreement sets out the terms and conditions under which Colas may benefit from the use of a business jet chartered by Airby, along with all related services provided by the Company (piloting, fuel, etc.).

Term of agreement

At its meeting of November 15, 2022, the Board of Directors authorized the renewal of this agreement for a further period of one year commencing on January 1, 2023.

Financial terms

As consideration for the use of the Global 6000 business jet made available by Airby, Colas is charged 7,000 euros excluding VAT per flight hour. If that aircraft is unavailable and another one rented on the market would meet the needs of Colas, the latter shall be made available on the basis of its rental fee, plus a fixed fee of 1,000 euros excluding VAT each time a substitute aircraft is chartered, as consideration for this service provided by Airby.

Reasons justifying the interest of this agreement for Colas

This aircraft charter agreement allows Colas to make use of a Global 6000 business jet or, when that aircraft is unavailable (during maintenance or if in use by another client), Airby shall rent and make available another aircraft meeting the needs of Colas.

Sale of Colas SA's stake in Ravinala Airports to Meridiam**Person concerned**

Stéphanie Rivoal (Director of Colas and member of the Supervisory Board of Meridiam).

Subject

In connection with the concession contract for two airports in Madagascar, Colas Madagascar, Colas Projects International, Bouygues Bâtiment International, ADP and Meridiam formed a special purpose vehicle, Ravinala Airports (a Madagascar-based *société anonyme*, or public limited company) to execute the concession contract.

Subsequently, Colas Madagascar and Colas Projects International sold their stake to Colas SA and Colas Projects, which respectively own 7% and 3% of Ravinala Airports' share capital, the related current accounts, and the associated rights and obligations.

Ravinala Airports awarded the design-build contract for Ivato Airport in Antananarivo and Fascene Airport in Nosy Be to CMBI, a joint venture formed by Bouygues Bâtiment International and Colas Madagascar.

Construction work on both airports was completed in 2020. In line with its strategy for concession projects, Colas was interested in selling its stake in Ravinala Airports as soon as this would be permitted by the project's contracts.

As stipulated in the financing agreements for the project, any planned sale of shares causing the stake held by Colas in Ravinala Airports to fall below 10% must be authorized by the lenders.

Given the restructuring of financing in connection with the sale, the consent from the lenders takes the form of a consent letter signed by all the parties.

Sale process

At its meeting of January 14, 2022, the Board of Directors authorized the sale by Colas SA to Meridiam of its stake in Ravinala Airports along with the latter's current account debt to Colas SA. The sale agreement was signed on March 7, 2022, subject to conditions precedent. As these conditions precedent were met, the closing of the sale, accompanied by the signing of the agreement reiterating all of the original agreement's terms and conditions apart from the conditions precedent took place on December 19, 2022.

At its meeting of December 9, 2022, the Board of Directors had authorized the signing of the consent letter, which had been carried out on December 13, 2022.

Reasons justifying the interest of this sale for Colas

The strategy pursued by Colas for concession projects is to sell its stake as soon as possible after the construction work is completed, taking into account the constraints arising from the contract entered into with the client.

In this case, the contract entered into with the Malagasy authorities allowed for the disposal of the stake two years after the acceptance of work, thus in December 2021. Consequently, the sale of this stake is perfectly in keeping with the strategy pursued by Colas.

Financial terms

Pursuant to the shareholders' agreement, existing shareholders have a right of first refusal on the shares to be sold and the accompanying instruments. This transaction has no material impact on Colas' earnings.

RESOLUTIONS 5 AND 6**Approval of the compensation policy for company officers (advance say on pay)****Subject and purpose**

The compensation of company officers is rightly coming under increasing scrutiny from shareholders and investors, and the transparency requirements concerning this compensation as well as the powers of the Shareholders' Meeting have been tightened up in recent regulations. The 2022 annual report and the draft resolutions we are asking you to approve take these changes into account:

- in the fifth resolution, you are asked to approve the compensation policy for Directors and Advisory Board members;
- in the sixth resolution, you are asked to approve the compensation policy for the Chairman and Chief Executive Officer.

This policy was signed off by the Board of Directors, based on the proposals submitted by the Selection and Compensation Committee. It contributes to the Company's long-term viability and is aligned with its commercial strategy. It is presented in the "Compensation policy" section of the report on corporate governance.

RESOLUTIONS 7 AND 8

Approval of the compensation for company officers in 2022 (retrospective say on pay)

Subject and purpose

The "Compensation for company officers in 2022" section of the report on corporate governance presents the requisite disclosures concerning the compensation of company officers (Chairman of the Board of Directors, Chief Executive Officer, Directors):

- paid during fiscal year 2022; or
- awarded in respect of that same fiscal year.

Pursuant to Article L. 22-10-34-I of the French Commercial Code, we hereby request, under Resolution 7, that you approve all this information.

Subsequently, in accordance with Article L. 22-10-34-II of the French Commercial Code, we request that you approve the compensation paid in 2022 – or awarded in respect of that same fiscal year – to Frédéric Gardès, Chairman and Chief Executive Officer, for performing his duties (Resolution 8).

RESOLUTION 9

Ratification of Didier Casas' appointment as a Director to replace Arnauld Van Eeckhout

Subject and purpose

To duly note:

- the resignation of Arnauld Van Eeckhout as a Director of the Company on October 17, 2022;
- the decision by the Board of Directors at its meeting of November 15, 2022, on the recommendation of the Selection and Compensation Committee, in accordance with Article L. 225-17 of the French Commercial Code, to co-opt Didier Casas as a Director for the remainder of Arnauld Van Eeckhout term, that is until the close of the Ordinary Shareholders' Meeting to be called in 2024 to approve the financial statements for the fiscal year ending December 31, 2023.

To decide to ratify the co-option of Didier Casas as a Director.

RESOLUTIONS 10, 11, 12, 13 AND 14

Renewal of the directorships of Frédéric Gardès, Bouygues SA, Olivier Roussat, Cyril Bouygues and Colette Lewiner

Subject and purpose

Renew the directorships of Frédéric Gardès, Bouygues SA, Olivier Roussat, Cyril Bouygues and Colette Lewiner, whose terms of office expire at the close of the Shareholders' Meeting of April 25, 2023.

Term of office

Subject to the shareholders voting at the Shareholders' Meeting of April 25, 2023 to pass Resolution 28 amending Directors' term of office, laid down in Article 14 of the bylaws, from two to three years, this term of office would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should Resolution 28 not be passed at the Shareholders' Meeting of April 25, 2023, this term of office would be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

RESOLUTION 15

Appointment of Anne-Christine Champion as a Director to replace Stéphanie Rivoal

Subject and purpose

Stéphanie Rivoal's directorship expires at the close of the Shareholders' Meeting of April 25, 2023.

At its meeting of February 20, 2023, the Board of Directors proposed, at the recommendation of the Selection and Compensation Committee, that Anne-Christine Champion be appointed to replace Stéphanie Rivoal.

Term of office

Subject to the shareholders voting at the Shareholders' Meeting of April 25, 2023 to pass Resolution 28 amending Directors' term of office, laid down in Article 14 of the bylaws, from two to three years, this term of office would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should Resolution 28 not be passed at the Shareholders' Meeting of April 25, 2023, this term of office would be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

About Anne-Christine Champion



BACKGROUND AND EXPERTISE

Anne-Christine Champion is Co-Head of Natixis Corporate and Investment Banking and has served on Natixis's Executive Management Committee since November 2020.

She began her career in 2002 at Natixis's financial engineering department, where she worked on advisory and arrangement services in the infrastructure sector. In 2012, she was made global head of consulting and infrastructure and project finance in the energy and natural resources, telecoms, transport and utilities sectors.

In 2016, she was appointed global head of the wholesale banking division's newly established distribution (primary, secondary, direct and synthetic) and financing portfolio management business.

In March 2019, she became global head of real assets within the wholesale banking division, with responsibility for strategic direction in the energy, infrastructure, real estate and aviation sectors.

OTHER APPOINTMENTS AND POSITIONS HELD

- Co-Head of Natixis Corporate and Investment Banking
- Member of Natixis' Executive Management Committee

RESOLUTION 16

Authorization for the Company to buy back its own shares

Subject and purpose

Renew the authorization granted to the Company to buy back its own shares under a share buyback program. The Company is requesting that the Shareholders' Meeting authorize it to buy back its own shares in an amount not exceeding 5% of the share capital. This authorization would cover the following purposes:

- reduce the share capital through the retirement of shares as provided for by law, subject to approval at the Extraordinary Shareholders' Meeting;
- provide liquidity and an active market for the Company's shares through the intermediary of an investment services provider acting within the framework of a liquidity agreement in accordance with a Code of Ethics recognized by the AMF.

In 2022, transactions in the Company's own shares consisted of the purchase of 5,288 shares (trading position - *en position négociée*) and the sale of 5,164 shares (trading position - *en*

position négociée), all *via* the intermediary of an investment services provider acting within the framework of a liquidity agreement in accordance with a Code of Ethics approved by the AMF.

Upper limits of the authorization

The authorization would be granted subject to the following restrictions:

- 5% of the share capital;
- Maximum purchase price: 180 euros per share;
- Maximum budget: 293,890,320 euros.

Length of authorization

Eighteen months.

RESOLUTION 17

Powers to carry out all necessary formalities

Subject and purpose

Arrange for the completion of all legal and administrative formalities and all filings and notices.

2.2. Resolutions for the Extraordinary Shareholders' Meeting

RESOLUTION 18

Option of reducing the share capital by retiring shares

Purpose of authorization

Allow the Board of Directors, should it so deem appropriate, to reduce the share capital on one or more occasions, by retiring some or all of the shares acquired by the Company pursuant to any authorization to buy back shares given by the Shareholders' Meeting, and in particular Resolution 16 subject to approval at this meeting.

In particular, the retirement of the shares bought back would make it possible, if deemed appropriate by the Board, to offset dilution for shareholders arising from the issuance of new shares, as a result of transactions carried out within the framework of employee savings plans or due to the exercise of share subscription options, for example.

Upper limits of the authorization

Option of retiring up to 10% of the share capital per 24-month period.

Length of authorization

Eighteen months.

RESOLUTION 19

Option to carry out capital increases with preferential subscription rights for existing shareholders

Purpose of the delegation of authority

Delegate authority to the Board of Directors to increase the share capital, with preferential subscription rights for existing shareholders, through the issue of ordinary shares in the Company or any other type of investment securities, giving immediate and/or future access by any means to new shares to be issued by the Company.

Shareholders shall have an irrevocable pro rata entitlement and, if the Board so decides, an additional entitlement, which may be reduced, to subscribe for the ordinary shares and/or investment securities that would be issued under this resolution.

Caps

Capital increase: aggregate nominal value of 10,000,000 euros.

Debt securities giving immediate or future access to the share capital: 10,000,000 euros.

These two upper limits apply to all capital increases that would be carried out under Resolutions 21 and 22, subject to approval at the Shareholders' Meeting.

Validity period of the delegation of authority

Twenty-six months.

RESOLUTION 20

Option to increase the share capital through the capitalization of share premiums, reserves, or retained earnings

Purpose of the delegation of authority

Delegate authority to the Board of Directors to increase the share capital through the capitalization of share premiums, reserves, earnings or any other items as permitted by law and the bylaws, in the form of the allocation of bonus shares or an increase in the par value of existing shares, or by way of a combination of these two methods.

Cap

Capital increase: aggregate nominal value of 10,000,000 euros.

Validity period of the delegation of authority

Twenty-six months.

RESOLUTION 21

Option to increase the share capital by way of a public offering other than those covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders

Purpose of the delegation of authority

Delegate authority to the Board of Directors to increase the share capital through the issue, by way of a public offering other than those covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders, of ordinary shares in the Company or any other type of investment securities, giving immediate and/or future access by any means to new shares to be issued by the Company.

Cap

Capital increase: aggregate nominal value of 10,000,000 euros.

Debt securities giving immediate and/or future access to the share capital: 10,000,000 euros.

The transactions will count towards the upper limits stipulated in Resolution 19.

Validity period of the delegation of authority

Twenty-six months.

RESOLUTION 22

Option to increase the share capital by way of a public offering covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders

Purpose of the delegation of authority

Allow the Board of Directors to carry out capital increases by way of a public offering covered by Article L. 411-2-1° of the French Monetary and Financial Code. The aim is to optimize the Company's access to capital markets and to carry out transactions with a certain flexibility. Capital increases by way of a public offering covered by Article L. 411-2-1° of the French Monetary and Financial Code are intended for investment services providers in the area of third-party portfolio management, qualified investors or a restricted group of investors, provided these investors are acting on their own behalf.

The types of securities that may be issued are the same as those stipulated in Resolution 21.

Cap

Capital increase: aggregate nominal value of 10,000,000 euros.

10% of the share capital per 12-month period.

Debt securities giving immediate and/or future access to the share capital: 10,000,000 euros.

The transactions will count towards the upper limits stipulated in Resolution 19.

Validity period of the delegation of authority

Twenty-six months.

RESOLUTION 23

Option to set the issue price in the event of a capital increase without preferential subscription rights for existing shareholders

Purpose of authorization

Authorize the Board of Directors, for issues without preferential subscription rights for existing shareholders carried out under Resolutions 21 and 22, to depart from the price determination procedures stipulated by regulations in force (Article R. 22-10-32 of the French Commercial Code) and to set the issue price for the equity securities to be issued, whether immediately or over time, in accordance with the procedures described below.

Determination of the issue price

- for equity securities to be issued immediately, the Board may apply either of the following two procedures:
 - issue price equal to the average price of the Colas share over a maximum period of six months preceding the issue,
 - issue price equal to the volume-weighted average price (VWAP) of the Colas share on the day preceding the issue, with a maximum discount of 20%;
- for equity securities to be issued over time, the issue price shall be such that the amount collected immediately by the Company plus any amount that may be collected at a later date shall, for each share issued, be at least equal to the amount mentioned in Item 1) above.

Cap

10% of the share capital per 12-month period.

Length of authorization

Twenty-six months.

RESOLUTION 24

Option to raise the number of new shares to be issued in the event of a capital increase

Purpose of the delegation of authority

Allow the Board of Directors to decide, for any capital increase with or without preferential subscription rights for existing shareholders, to raise the number of new shares to be issued, for a period of 30 days as of the end date of the subscription period, within the limit of 15% of the original issue, and at the same price as that applied for the original issue.

This delegation of authority can be used to seize opportunities while offering a certain flexibility.

Cap

15% of the initial issue.

Validity period of the delegation

Twenty-six months.

RESOLUTION 25

Delegation of authority to the Board of Directors for the purposes of amending the bylaws to ensure compliance

Subject and purpose

Authorize the Board of Directors to make any amendments necessary to the bylaws to ensure their compliance with legal and regulatory provisions.

Any amendments to the bylaws will be subject to ratification at the next Extraordinary Shareholders' Meeting.

Length of authorization

One year (until the close of the Shareholders' Meeting to be called to approve in 2024 the financial statements for the fiscal year ending December 31, 2023).

RESOLUTION 26

Extension of the Company's term of existence and corresponding amendment to Article 5 of the Company's bylaws

Subject and purpose

The Company was formed on May 23, 1929 with a legal term of existence of 99 years.

Pursuant to the provisions of Article 1844-6 of the French Civil Code, shareholders must be consulted at least one year before the expiration of the term of existence for the purpose of deciding whether or not the Company's term of existence should be extended.

Accordingly, as the Company's term of existence is due to expire in 2028, the Board of Directors proposes to extend the Company's term of existence by 99 years as from the Shareholders' Meeting to be held on April 25, 2023, thus until April 25, 2122.

Corresponding amendment to Article 5 ("Term") of the Company's bylaws

Owing to the extension of the Company's term of existence, a proposal is submitted to the Shareholders' Meeting to amend Article 5 ("Term") of the Company's bylaws as follows:

Current wording of Article 5 ("Term"):

The term of existence of the Company is set at ninety-nine years as from May 23, 1929, its definitive date of formation, unless the Company is dissolved early or its term of existence is extended as provided for by these bylaws.

Amended wording of Article 5 ("Term"):

The term of existence of the Company is set at ninety-nine years as from May 23, 1929, its definitive date of formation, unless the Company is dissolved early or its term of existence is extended as provided for by these bylaws.
By vote on April 25, 2023, the shareholders decided to extend the Company's existence for a new term of ninety-nine years. The Company's date of expiration is thus April 25, 2122, unless the Company is dissolved early or its term of existence is extended once again.

RESOLUTION 27

Option for the Board of Directors to be consulted via written consultation and corresponding amendments to Articles 17 and 18 of the Company's bylaws

Subject and purpose

As a general rule, decisions are taken by the Board of Directors in its meetings by the Directors attending the meeting in person, or potentially taking part remotely via videoconferencing.

With a view to the optimization of governance, the Board of Directors proposes that the Board be expressly authorized to take decisions via written consultation in the following areas:

- provisional appointment of Board members;
- authorization of sureties, endorsements and guarantees given by the Company;
- decisions to amend the bylaws to ensure their compliance with legal and regulatory provisions, as delegated by the Shareholders' Meeting;
- convening notice of Shareholders' Meeting;
- transfer of the Company's registered office within the same French administrative department.

Corresponding amendments to Article 17 ("Deliberations by the Board") and Article 18 ("Minutes of Meetings of the Board of Directors") of the Company's bylaws

As a result of the option offered to the Board of Directors to be consulted via written consultation, a proposal is submitted to the Shareholders' Meeting to amend Article 17 ("Deliberations of the Board") and Article 18 ("Minutes of Meetings of the Board of Directors") of the Company's bylaws as follows:

Current wording of Article 17 ("Deliberations of the Board"):

The Board of Directors meets as often as necessary in the interests of the Company, either at the registered office or any other venue.

Meetings may be convened by any means, including verbally. Meeting notices are issued by the Chairman or any other member of the Board who has been delegated to perform this task as the former's deputy, or in the event of the separation of management roles, by the Chief Executive Officer. The Board may also be convened by half of its members. However, a group of Directors constituting at least one-third of the Board's members may call a Board Meeting, including notification of its agenda, if the Board has not met for more than two months.

Any Director may give another Director a proxy, by letter, cable or telex, to represent him/her at a Board Meeting. However, each Director may only hold one proxy at any given Board Meeting. These provisions apply to the permanent representative of a legal entity serving as Director.

Meetings of the Board of Directors are only quorate if at least half of its members are in attendance.

The Board may adopt internal rules, which can stipulate that Directors who take part in a Board Meeting remotely via videoconferencing, or by using any other telecommunications method permitting them to be identified and participate fully in the meeting as required by applicable laws and regulations, are deemed to be in attendance for the purposes of quorum and majority.

Decisions are taken by a majority of the Directors present (or deemed to be present if taking part remotely via videoconferencing, or by using any other telecommunications method permitting them to be identified and participate fully in the meeting) or represented. Each Director has one vote and any Director serving as proxy for another member has two votes. In the event of a tie, the Chair of the meeting has the casting vote.

Decisions are taken by a majority of the Directors present or represented. Each Director has one vote and any Director serving as proxy for another member has two votes. In the event of a tie, the Chair of the meeting has the casting vote.

The Directors, as well as any other individuals who may be invited to attend meetings of the Board of Directors, are sworn to secrecy with respect to any information that is confidential in nature and presented as such by the Chair of the meeting.

Amended wording of Article 17 ("Deliberations of the Board"):

The Board of Directors meets as often as necessary in the interests of the Company, either at the registered office or any other venue.

Meetings may be convened by any means, including verbally. Meeting notices are issued by the Chairman or any other member of the Board who has been delegated to perform this task as the former's deputy, or in the event of the separation of management roles, by the Chief Executive Officer. The Board may also be convened by half of its members. However, a group of Directors constituting at least one-third of the Board's members may call a Board Meeting, including notification of its agenda, if the Board has not met for more than two months.

Any Director may give another Director a proxy, by letter, cable or telex, to represent him/her at a Board Meeting. However, each Director may only hold one proxy at any given Board Meeting. These provisions apply to the permanent representative of a legal entity serving as Director.

Meetings of the Board of Directors are only quorate if at least half of its members are in attendance.

The Board may adopt internal rules, which can stipulate that Directors who take part in a Board Meeting remotely via videoconferencing, or by using any other telecommunications method permitting them to be identified and participate fully in the meeting as required by applicable laws and regulations, are deemed to be in attendance for the purposes of quorum and majority.

Decisions are taken by a majority of the Directors present (or deemed to be present if taking part remotely via videoconferencing, or by using any other telecommunications method permitting them to be identified and participate fully in the meeting) or represented. Each Director has one vote and any Director serving as proxy for another member has two votes. In the event of a tie, the Chair of the meeting has the casting vote.

Decisions are taken by a majority of the Directors present or represented. Each Director has one vote and any Director serving as proxy for another member has two votes. In the event of a tie, the Chair of the meeting has the casting vote.

The Directors, as well as any other individuals who may be invited to attend meetings of the Board of Directors, are sworn to secrecy with respect to any information that is confidential in nature and presented as such by the Chair of the meeting.

The following decisions may be taken by the Board of Directors via written consultation, at the request of the Chairman:

- provisional appointment of Board members;***
- authorization of sureties, endorsements and guarantees given by the Company;***
- decisions to amend the bylaws to ensure their compliance with legal and regulatory provisions, as delegated by the Shareholders' Meeting;***
- convening notice of Shareholders' Meeting;***
- transfer of the Company's registered office within the same French administrative department.***

Written consultation of Directors may be carried out by any means, in particular by email.

Current wording of Article 18 ("Minutes of Meetings of the Board of Directors"):

A register of attendance of Directors present or represented at meetings of the Board shall be maintained.

The Board's deliberations shall be recorded in minutes containing the mentions required by regulations, entered into a special numbered and initialed minute book, signed by the Chair of the meeting and at least one other Director. If the Chair of any meeting is unable to sign the minutes, they must be signed by at least two Directors having attended the meeting.

Copies or abstracts of these minutes shall be signed and certified as provided by applicable laws and regulations.

A copy or excerpt from the minutes is sufficient proof of the number of Directors in office and of their attendance or representation at any Board Meeting.

Amended wording of Article 18 ("Minutes of Meetings of the Board of Directors"):

A register of attendance of Directors present or represented at meetings of the Board shall be maintained.

The Board's deliberations shall be recorded in minutes containing the mentions required by regulations, entered into a special numbered and initialed minute book, signed by the Chair of the meeting and at least one other Director. If the Chair of any meeting is unable to sign the minutes, they must be signed by at least two Directors having attended the meeting.

Copies or abstracts of these minutes shall be signed and certified as provided by applicable laws and regulations.

A copy or excerpt from the minutes is sufficient proof of the number of Directors in office and of their attendance or representation at any Board Meeting.

Decisions taken via written consultation are recorded in minutes drawn up by the Chairman of the Board. These minutes are kept on file in application of the same procedures used for those recording any other decisions of the Board of Directors.

RESOLUTION 28

Amendment of Directors' term of office and corresponding amendment of the Company's bylaws

Subject and purpose

Article 14 of the Company's bylaws stipulates that Directors serve for a term of two years.

It is proposed that Directors henceforth serve for a term of three years.

This change will take effect as of this Shareholders' Meeting and will thus apply to the following:

- Frédéric Gardès, Bouygues SA, Olivier Roussat, Cyril Bouygues and Colette Lewiner, proposed for reappointment as Directors (Resolutions 10 to 14); and
- Anne-Christine Champion, proposed for appointment as a Director (Resolution 15).

The terms of office as Directors of Stéphanie Rivoal (due to expire at the close the Shareholders' Meeting of April 25, 2023), Catherine Ronge (due to expire at the close the Shareholders' Meeting to be held in 2024 to approve the financial statements for 2023) and Didier Casas (due to expire at the close the Shareholders' Meeting to be held in 2024 to approve the financial statements for 2023) remain unchanged.

Corresponding amendment to Article 14 of the Company's bylaws, "Directors' duties: duration and limitations"

As a result of the amendment of Directors' term of office laid down in the Company's bylaws, it is proposed that Article 14 of the bylaws, "Directors' duties: duration and limitations", be amended as follows:

Current wording of Article 14: "Directors' duties: duration and limitations":

Directors are appointed for two-year terms.

The Board of Directors shall be renewed at each annual Shareholders' Meeting, alternating between one or more members, if applicable, so that the Board can be completely renewed in two years, done as equally as possible according to the number of members.

All outgoing members can be re-appointed.

Amended wording of Article 14, "Directors' duties: duration and limitations":

Directors are appointed for three-year terms.

The Board of Directors shall be renewed at each annual Shareholders' Meeting, alternating between one or more members, if applicable, so that the Board can be completely renewed in three years, done as equally as possible according to the number of members.

All outgoing members can be re-appointed".

RESOLUTION 29

Amendment of the term of office of the Advisory Board members and corresponding amendment of Article 23 of the Company's bylaws

Subject and purpose

Article 23 of the Company's bylaws stipulates that Advisory Board members serve for a term of two years.

It is proposed that any member of the Advisory Board henceforth serve for a term of three years.

Corresponding amendment to Article 23 "Advisory Board Members" of the Company's bylaws

As a result of the amendment of the term of office of the Advisory Board members laid down in the Company's bylaws, it is proposed that Article 23 "Advisory Board Members" of the Company's bylaws as follows:

Current wording of Article 23 "Advisory Board Members":

"The Ordinary Shareholders' Meeting may appoint one or more members of the Advisory Board for a term of two years.

The duties of a member of the Advisory Board automatically end at the first Shareholders' Meeting held after the member has reached the age of 70.

In the event of vacancy due to death or resignation of one or more members of the Advisory Board, the Board of Directors may make temporary appointments. These appointments are subject to approval by the next General Meeting.

The Members of the Advisory Board are responsible for ensuring the strict application of the bylaws. They attend Board Meeting in an advisory capacity. When they deem it appropriate, they present observations to the Board of Directors on all matters on which the latter is called upon to deliberate, and they may present their observations on these matters to the General Meeting.

The Advisory Board members receive the same attendance fees as those received by the directors.

Amended wording of Article 23 "Advisory Board Members":

"The Ordinary Shareholders' Meeting may appoint one or more members of the Advisory Board to serve for a term of three years.

The duties of a member of the Advisory Board automatically end at the first Shareholders' Meeting held after the member has reached the age of 70.

In the event of vacancy due to death or resignation of one or more members of the Advisory Board, the Board of Directors may make temporary appointments. These appointments are subject to approval by the next General Meeting.

The Members of the Advisory Board are responsible for ensuring the strict application of the bylaws. They attend Board Meeting in an advisory capacity. When they deem it appropriate, they present observations to the Board of Directors on all matters on which the latter is called upon to deliberate, and they may present their observations on these matters to the General Meeting.

The Advisory Board members receive the same attendance fees as those received by the directors.

RESOLUTION 30

Powers to carry out all necessary formalities

Subject and purpose

Arrange for the completion of all legal and administrative formalities and all filings and notices.

3. PROPOSED RESOLUTIONS

3.1. Ordinary Shareholders' Meeting Resolutions

FIRST RESOLUTION

Approval of the annual parent company financial statements

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, having examined the parent company financial statements for the fiscal year ended December 31, 2022, the Board of Directors' management report and the Statutory Auditors' report on the parent company financial statements, approves the parent company financial statements for the fiscal year ended December 31, 2022, which show a net profit of 339,312,825.36 euros, as well as the transactions reflected in these financial statements and summarized in these reports.

The Shareholders' Meeting grants full discharge to the Directors for their management.

The Shareholders' Meeting recognizes that the expenses specified in Articles 39-4 and 223 quater of the French General Tax Code, which are not deductible for corporate income tax purposes, totaled 0 euros for fiscal year 2022.

SECOND RESOLUTION

Approval of the annual consolidated financial statements

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, having examined the consolidated financial statements for the fiscal year ended December 31, 2022, the Board of Directors' report on the Group's management included in the management report in accordance with Article L. 233-26 of the French Commercial Code, and the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements for the fiscal year ended December 31, 2022, which show a net profit attributable to the Group of 301 million euros, as well as the transactions reflected in these financial statements and summarized in these reports.

THIRD RESOLUTION

Earnings and earnings appropriation

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, notes that in view of the net profit of 339,312,825.36 euros, and retained earnings of 868,521,060.34 euros, distributable income amounts to 1,207,833,885.70 euros.

It decides, on the proposal of the Board of Directors, to appropriate distributable income as follows:

- a dividend payout of 7.35 euros per share, representing a total of 240,010,567.65 euros;
- allocation of the balance of 967,823,318.05 euros to retained earnings.

The Shareholders' Meeting therefore sets the dividend for the fiscal year ended December 31, 2022 at 7.35 euros per eligible share.

The dividend will be payable in cash on May 4, 2023. The entire dividend is optionally eligible for the 40% tax allowance provided for under Article 158-3-2° of the French General Tax Code.

If, as of the date of payment, the Company holds some of its own shares, the sum corresponding to the amount of the dividend not paid out in respect of these shares will be allocated to retained earnings.

In accordance with the provisions of Article 243 *bis* of the French General Tax Code, you are reminded that the amounts paid out in the form of dividends in respect of the last three fiscal years were as follows:

	Fiscal year ended		
	December 31, 2019	December 31, 2020	December 31, 2021
Number of shares in issue	32,654,499	32,654,499	32,654,499
Dividend per share ⁽¹⁾	€6.40	€2.90	€6.85
Total dividend ⁽²⁾	€208,852,608.40	€94,637,234.10	€223,598,111

(1) Amount optionally eligible, for persons subject to income tax, for the 40% tax allowance provided for in Article 158-3-2° of the French General Tax Code.

(2) The stated amounts represent dividends actually paid; shares bought back by the Company carry no dividend rights.

FOURTH RESOLUTION

Approval of the agreements and commitments specified in Articles L. 225-38 et seq. of the French Commercial Code

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, having examined the Statutory Auditors' special report on regulated agreements and commitments, and pursuant to the provisions of Articles L. 225-38 et seq. of the French Commercial Code, approves the regulated agreements and commitments presented in this report and not yet approved by the Shareholders' Meeting.

FIFTH RESOLUTION

Approval of the compensation policy for Directors and Advisory Board members

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, pursuant to Article L. 22-10-8-II of the French Commercial Code, having familiarized itself with the report on corporate governance, approves the compensation policy for Directors and Advisory Board members.

SIXTH RESOLUTION

Approval of the compensation policy for the Chairman and Chief Executive Officer

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, pursuant to Article L. 22-10-8-II of the French Commercial Code, having familiarized itself with the report on corporate governance, approves the compensation policy for the Chairman and Chief Executive Officer.

SEVENTH RESOLUTION

Approval of the compensation disclosures concerning company officers required by Article L. 22-10-9-I of the French Commercial Code

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, pursuant to Article L. 22-10-34-I of the French Commercial Code, having familiarized itself with the report on corporate governance, approves the disclosures made pursuant to Article L. 22-10-9-I of the French Commercial Code.

EIGHTH RESOLUTION

Approval of the items of compensation and benefits paid during or awarded in respect of fiscal year 2022 to Frédéric Gardès, Chairman and Chief Executive Officer

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, pursuant to Article L. 22-10-34-II of the French Commercial Code, having familiarized itself with the report on corporate governance, approves the fixed, variable and exceptional components of total compensation and benefits of any kind paid during the fiscal year ended December 31, 2022 or awarded in respect of that same fiscal year to Frédéric Gardès in respect of his office as Chairman and Chief Executive Officer.

NINTH RESOLUTION

Ratification of Didier Casas' appointment as a Director

The Shareholders' Meeting, having met the quorum and majority requirements for Ordinary Shareholders' Meetings and having duly noted:

- the resignation of Arnaud Van Eeckhout as a Director of the Company on October 17, 2022;
- the decision by the Board of Directors at its meeting of November 15, 2022, on the recommendation of the Selection and Compensation Committee, in accordance with Article L. 225-17 of the French Commercial Code, to co-opt Didier Casas as a Director for the remainder of Arnaud Van Eeckhout term, that is until the close of the Ordinary Shareholders' Meeting to be called in 2024 to approve the financial statements for the fiscal year ending December 31, 2023;

decides to ratify said co-option and thus to appoint Didier Casas as a Director, to replace Arnaud Van Eeckhout for the remainder of the latter's term, thus until the close of the

Shareholders' Meeting to be called in 2024 to approve the financial statements for fiscal year 2023.

TENTH RESOLUTION

Renewal of the directorship of Frédéric Gardès

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, renews Frédéric Gardès' directorship. Subject to the twenty-eighth resolution being passed at this Shareholders' Meeting, this reappointment would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should the twenty-eighth resolution not be passed at this Shareholders' Meeting, this reappointment would, in accordance with the bylaws as they currently stand, be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

ELEVENTH RESOLUTION

Renewal of the directorship of Bouygues SA

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, renews the directorship of Bouygues SA. Subject to the twenty-eighth resolution being passed at this Shareholders' Meeting, this reappointment would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should the twenty-eighth resolution not be passed at this Shareholders' Meeting, this reappointment would, in accordance with the bylaws as they currently stand, be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

TWELFTH RESOLUTION

Renewal of the directorship of Olivier Roussat

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, renews Olivier Roussat's directorship. Subject to the twenty-eighth resolution being passed at this Shareholders' Meeting, this reappointment would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should the twenty-eighth resolution not be passed at this Shareholders' Meeting, this reappointment would, in accordance with the bylaws as they currently stand, be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

THIRTEENTH RESOLUTION

Renewal of the directorship of Cyril Bouygues

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, renews Cyril Bouygues' directorship. Subject to the twenty-eighth resolution being passed at this Shareholders' Meeting, this reappointment would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should the twenty-eighth resolution not be passed at this Shareholders' Meeting, this reappointment would, in accordance with the bylaws as they currently stand, be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

FOURTEENTH RESOLUTION

Renewal of the directorship of Colette Lewiner

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, renews Colette Lewiner's directorship. Subject to the twenty-eighth resolution being passed at this Shareholders' Meeting, this reappointment would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should the twenty-eighth resolution not be passed at this Shareholders' Meeting, this reappointment would, in accordance with the bylaws as they currently stand, be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

FIFTEENTH RESOLUTION

Appointment of Anne-Christine Champion as a Director to replace Stéphanie Rivoal

The shareholders, having met the quorum and majority requirements for Ordinary Shareholders' Meetings, having duly noted that Stéphanie Rivoal's directorship expires at the close of this Shareholders' Meeting and having familiarized themselves with the report of the Board of Directors, agree to appoint Anne-Christine Champion to replace Stéphanie Rivoal as a Director.

Subject to the twenty-eighth resolution being passed at this Shareholders' Meeting, this appointment would be for a period of three years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Should the twenty-eighth resolution not be passed at this Shareholders' Meeting, this reappointment would, in accordance with the bylaws as they currently stand, be for a period of two years, expiring at the close of the Ordinary Shareholders' Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

SIXTEENTH RESOLUTION

Authorization granted to the Board of Directors to allow the Company to carry out transactions in its own shares

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, having examined the report of the Board of Directors and pursuant to applicable regulations, in particular Article L. 22-10-62 of the French Commercial Code and the provisions of the AMF's General Regulation:

1. authorizes the Board of Directors to purchase or arrange for the purchase of a maximum of 326,545 Company shares, subject to continuing compliance with the maximum ownership threshold defined in Article L. 225-210 of the French Commercial Code;
2. decides that the main objectives of this authorization granted to the Company to acquire its own shares, corresponding either to a market practice allowed by the AMF, an objective set out in the EU market abuse regulation, or an objective set out in Article L. 22-10-62 of the French Commercial Code, shall chiefly be (i) the potential retirement of the shares bought back, provided this has been authorized by an Extraordinary Shareholders' Meeting; (ii) providing liquidity and an active market for Company shares through the intermediary of an investment services provider acting within the framework of a liquidity agreement in accordance with a Code of Ethics recognized by the AMF; and (iii) any market practice that may be accepted, with the understanding that the achievement of these objectives shall need to comply with applicable laws and regulations;
3. decides that the acquisition, sale or transfer by the Company of its own shares may be carried out on one or more occasions, in compliance with the AMF's rules, through any market or off-market transactions, over-the-counter trades or otherwise, by any means, notably by way of block purchases or sales or the use of derivatives, and at any time, in particular during a public offering period for the Company's shares, within the limits prescribed by applicable regulations. However, the Board of Directors shall need to ensure that the volatility of the Company's shares is not increased through its actions. The portion of the program that may be carried out through block trades is not limited and may correspond to the entire program;
4. decides that the Board of Directors may acquire shares at a maximum price per share of 180 euros, excluding acquisition costs, and that the maximum cumulative amount of funds dedicated to this share buyback program may not exceed 293,890,320 euros, corresponding to the purchase of 1,632,724 shares (i.e. 5% of the total number of shares constituting the Company's share capital, as of December 31, 2022) at the maximum price stated above;

5. decides that, in the event of transactions in the Company's shares during the validity period of this authorization, the maximum price per share indicated shall be adjusted by a multiplying coefficient equal to the ratio between the number of shares making up the Company's share capital before and after the transaction;
6. grants full powers to the Board of Directors to carry out this authorization and in particular to evaluate the appropriateness of initiating a share buyback program and to determine the terms thereof, in accordance with applicable legal and regulatory provisions. To this end, the Board of Directors may carry out any transactions, place any and all buy and sell orders, enter into any and all agreements, fulfill all formalities and agreements, notably with respect to maintaining registers of purchases and sales of shares, carry out all formalities and declarations with respect to the AMF and any other organization,

and generally take any and all other actions required in the implementation of this authorization. The Board of Directors may delegate said powers in accordance with applicable legal and regulatory provisions;

7. determines that this delegation of authority shall be valid for a period of eighteen months as of the date of this Shareholders' Meeting and that it supersedes, where applicable in respect of the unused amounts, any other previous delegation of authority having the same purpose.

SEVENTEENTH RESOLUTION

Powers to carry out legal requirements

The Shareholders' Meeting, which meets the quorum and majority requirements for Ordinary Shareholders' Meetings, shall grant the bearer of a copy or extract of the minutes of this meeting full powers to file any documents or comply with any legal requirements that may be necessary.

3.2. Extraordinary Shareholders' Meeting Resolutions

EIGHTEENTH RESOLUTION

Authorization given to the Board of Directors, for a period of 18 months, to reduce the share capital by retiring shares

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings pursuant to Article L. 22-10-62 of the French Commercial Code, having examined the report of the Board of Directors and the report of the Statutory Auditors hereby:

1. authorizes the Board of Directors to retire, at its sole discretion and in one or more transactions, all or a portion of the shares acquired by the Company in application of any authorization granted by the Shareholders' Meeting to the Board of Directors to purchase shares, subject to a maximum of 10% (per twenty-four-month period) of the total number of shares constituting the Company's share capital at the date of retirement of the shares concerned;
2. authorizes the Board of Directors to charge the difference between the purchase value of the retired shares and their par value to all available share premium and reserve accounts;
3. delegates full powers to the Board of Directors, including the option to sub-delegate such powers in accordance with applicable laws and regulations, to carry out any capital reduction(s) resulting from the retirement of shares authorized by this resolution, ensure that corresponding accounting entries are made, amend the bylaws accordingly, and fulfill all necessary formalities;
4. determines that this delegation of authority shall be valid for a period of eighteen months as of the date of this meeting and that it supersedes, in respect of the unused amounts, any other prior authorization of authority having the same purpose.

NINETEENTH RESOLUTION

Delegation of authority to the Board of Directors, for a period of 26 months, to increase the share capital, with preferential subscription rights for existing shareholders, through the issue of ordinary shares and/or any investment securities that are equity securities giving access to other equity securities of the Company or that grant entitlement to debt securities or other securities giving access to equity securities to be issued

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and pursuant to the provisions of Articles L. 225-129 et seq., L. 225-132 et seq., L. 228-91 et seq. and L. 22-10-49 et seq. of the French Commercial Code, hereby:

1. delegates its authority to the Board of Directors, with the option to sub-delegate this authority as provided by laws and regulations, to increase the Company's share capital, on one or more occasions, in such amounts, at such times, and under such conditions that it may deem fit, through the issue, with preferential subscription rights for existing shareholders, on the French market and/or any foreign market, whether denominated in euros, any foreign currency, or any other unit of account based on a basket of currencies, of (i) ordinary shares in the Company and (ii) any investment securities that are equity securities giving immediate and/or future access by any means, at any time or on a specific date, to other equity securities of the Company or giving immediate and/or future access by any means to debt securities or (iii) any investment securities giving immediate or future access by any means to equity securities to be issued by the Company, which may be subscribed for in cash, by offsetting receivables, or partially in cash and partially through the capitalization of reserves, earnings or issue premiums;

2. decides that the aggregate nominal value represented by any capital increases that may be carried out, whether immediately or over time, under this delegation of authority may not exceed ten million euros (€10,000,000), with the understanding that to this overall upper limit shall be added, where applicable, the aggregate nominal value of any additional shares to be issued, as provided by law and, where applicable, by contractual requirements providing for other cases of adjustment, to protect the rights of holders of investment securities giving access to ordinary shares in the Company, further noting that the aggregate nominal value of any ordinary shares that may be issued under the twenty-first and twenty-second resolutions shall count towards this overall upper limit;
3. decides that the investment securities giving access to equity securities in the Company may comprise debt securities, other securities issued together with this type of instrument, or allow the issue thereof as intermediate securities. In particular, these securities may be subordinated or unsubordinated, dated or undated, and may be denominated in euros, any foreign currency, or any other accounting unit based on a basket of currencies;
4. decides that the aggregate nominal value of the debt securities potentially to be issued under this delegation of authority may not exceed ten million euros (€10,000,000) or its equivalent in any currency other than the euro or in any other unit of account as of the date when the issue is decided, with the understanding that this nominal value shall not include redemption premiums above par, if provided for. The aggregate nominal value of debt securities that might be issued under the twenty-first and twenty-second resolutions shall count towards this overall upper limit. The bonds giving access to ordinary shares in the Company thus issued may bear interest at a fixed and/or variable rate or may involve the capitalization of interest, may be subject to redemption prior to maturity, with or without a premium, which may be amortized, and that the securities may also be the focus of a share repurchase program or a tender or exchange offer by the Company. The aforementioned upper limit shall not apply to the debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code, nor to the other debt securities referred to in the last paragraphs of Articles L. 228-92, L. 228-93 and L. 228-94 of the French Commercial Code;
5. decides that issues of share subscription warrants may be carried out by the Company by means of cash subscriptions under the conditions specified below but also by means of the allocation of bonus shares to existing shareholders. In the event of the bonus allocation of standalone subscription warrants, the Board of Directors shall be entitled to decide whether or not fractional rights shall be negotiable and whether or not the corresponding securities may be sold;
6. decides, should the Board of Directors use the authority thus delegated, that:
 - 6.1. shareholders shall have preferential rights to subscribe, in proportion to the amount of their existing holdings and in respect of their pro rata entitlements, for ordinary shares and any other investment securities issued under this resolution,
 - 6.2. the Board of Directors shall also have the option to grant to shareholders a subscription right in respect of excess applications that may be reduced, to be exercised in proportion to their rights and based on their application,
 - 6.3. if subscriptions in respect of pro rata entitlements and, if applicable, subscriptions in respect of excess applications that may be reduced, do not absorb the entirety of an issue of ordinary shares or investment securities decided under this resolution, the Board may use, in the order it shall determine, any (or more than one) of the following options:
 - limiting the capital increase to the amount of subscriptions received, provided this represents at least three quarters of the issuance decided,
 - freely allocate all or a portion of the unsubscribed securities,
 - offer to the general public all or a portion of the unsubscribed securities on the French and/or international and/or any foreign market;
 - 6.4. the Board of Directors shall determine the terms and conditions, specific characteristics, and amount of any issuance and of the securities issued. In particular, it shall determine the type of securities to be issued and shall set, based on the information contained in its management report, their subscription price, with or without premium, the procedures for paying up the securities, the date, possibly with retroactive effect, from which they shall have dividend rights, or the terms under which the investment securities issued under this resolution shall give access to equity securities in the Company, as well as the conditions under which beneficiaries' entitlement to investment securities giving access to ordinary shares shall be temporarily suspended;
 - 6.5. the Board of Directors shall have all powers, with the option to sub-delegate said powers in accordance with applicable laws and regulations, to implement this delegation and in particular by executing any agreement for this purpose, especially in order to ensure the successful completion of any capital increase, to proceed with the issuances referenced above, on one or more occasions, in such amounts and at such times as it may deem fit, on the French market and/or, where applicable, any other foreign market, and/or the international market (and also, where appropriate, to suspend any issuance), to record the completion of each capital increase and amend the Company's bylaws accordingly, as well as to carry out any formalities, file any declarations, and obtain any authorizations found to be necessary for carrying out the issuances and ensuring their successful completion.
7. takes note that this delegation of authority entails the waiver by shareholders of their preferential rights to subscribe for the ordinary shares in the Company to which the investment securities that would be issued under this delegation of authority may confer entitlement;
8. determines that this delegation of authority shall be valid for a period of twenty-six months as of the date of this meeting and that it supersedes, where applicable in respect of the unused amounts, any prior delegation of authority having the same purpose.

TWENTIETH RESOLUTION

Delegation of authority to the Board of Directors, for a period of 26 months, to increase the share capital through the capitalization of share premiums, reserves, earnings or other items

The Shareholders' Meeting, which meets the quorum and majority requirements provided for in Articles L. 225-98 and L. 22-10-32 of the French Commercial Code, having examined the report of the Board of Directors and pursuant to the provisions of Articles L. 225-129 et seq. and L. 22-10-49 et seq. of the French Commercial Code, hereby:

1. delegates its authority to the Board of Directors to increase the Company's share capital, with the option to sub-delegate this authority in accordance with applicable laws and regulations, on one or more occasions, in such amounts and at such times that it may deem fit, through the successive or simultaneous capitalization of share premiums, reserves, earnings, or any other items as permitted by law and the bylaws, in the form of the allocation of bonus shares or an increase in the par value of existing shares, or by way of a combination of these two methods;
2. decides that the aggregate nominal value represented by any capital increases that may be carried out under this resolution may not exceed ten million euros (€10,000,000), with the understanding that to this upper limit shall be added, where applicable, the aggregate nominal value of any additional ordinary shares to be issued, as provided by law and, where applicable, by contractual requirements providing for other cases of adjustment, to protect the rights of holders of investment securities giving access to ordinary shares in the Company. The ceiling specified under this delegation of authority is separate and distinct from the overall ceiling set forth in the ninth resolution;
3. decides, should the Board of Directors use this delegation of authority, pursuant to the provisions of articles L. 225-130 and L. 22-10-50 of the French Commercial Code, that in the event of a capital increase in the form of an allocation of bonus shares, fractional rights shall be neither negotiable nor transferable, and that the corresponding shares shall be sold, with the resulting proceeds to be allocated among the holders of these rights within the period stipulated by applicable regulations;
4. decides that the Board of Directors shall have all powers, with the option to sub-delegate these powers in accordance with applicable laws and regulations, to implement this delegation of authority, and generally, to take any action and complete all formalities required for the successful completion of each capital increase, to record its completion, and amend the bylaws accordingly;
5. determines that this delegation of authority shall be valid for a period of twenty-six months as of the date of this meeting and that it supersedes, where applicable in respect of the unused amounts, any prior delegation of authority having the same purpose.

TWENTY-FIRST RESOLUTION

Delegation of authority to the Board of Directors, for a period of 26 months, to increase the share capital through the issue, by way of a public offering other than those covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders, of ordinary shares and/or any other type of investment securities giving immediate and/or future access to shares in the Company

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, having examined the report of the Board of Directors and the special report of the Statutory Auditors and pursuant to the provisions of Articles L. 225-129 et seq., L. 225-135 et seq., L. 228-91 et seq. and L. 22-10-49 et seq. of the French Commercial Code, hereby:

1. delegates its authority to the Board of Directors to increase the Company's share capital, with the option to sub-delegate this authority as provided by laws and regulations, on one or more occasions, in such amounts and at such times that it may deem fit, through the issue, by way of a public offering other than those covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders, on the French and/or any foreign market, whether denominated in euros, any foreign currency, or any other unit of account based on a basket of currencies, of (i) ordinary shares in the Company as well as (ii) any other type of investment securities that are equity securities giving immediate and/or future access by any means, at any time or on a specific date, to other equity securities of the Company or (iii) any investment securities giving immediate and/or future access to equity securities to be issued by the Company, which may be subscribed for either in cash or by offsetting receivables;
2. decides that the aggregate nominal value represented by any capital increases that may be carried out, whether immediately or over time, under this resolution may not exceed ten million euros (€10,000,000), and that to this upper limit shall be added, where applicable, the aggregate nominal value of any additional shares to be issued, as provided by law and, where applicable, by contractual requirements providing for other cases of adjustment, to protect the rights of holders of investment securities giving access to ordinary shares in the Company. This amount shall count towards the overall upper limit set forth in the ninth resolution;
3. decides that the investment securities giving access to equity securities in the Company thus issued may comprise debt securities, other securities issued together with this type of instrument, or allow the issue thereof as intermediate securities. In particular, these securities may be subordinated or unsubordinated, dated or undated, and may be denominated in euros, any foreign currency, or any other accounting unit based on a basket of currencies;

4. decides that the aggregate nominal value of the debt securities potentially to be issued under this delegation of authority may not exceed ten million euros (€10,000,000) or its equivalent in any currency other than the euro or in any other unit of account as of the date when the issue is decided, and that this nominal value shall count towards the upper limit set forth in the ninth resolution, with the understanding that it shall not include redemption premiums above par, if provided for. The bonds giving access to ordinary shares in the Company thus issued may bear interest at a fixed and/or variable rate or may involve the capitalization of interest, may be subject to redemption prior to maturity, with or without a premium, which may be amortized, and that the securities may also be the focus of a share repurchase program or a tender or exchange offer by the Company. The aforementioned upper limit shall not apply to the debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code, nor to the other debt securities referred to in the last paragraphs of Articles L. 228-92, L. 228-93 and L. 228-94 of the French Commercial Code;
5. decides to exclude the preferential rights of shareholders to subscribe for any securities that may be issued under this delegation of authority, and to give the Board of Directors the power to grant a priority right to shareholders, in respect of their pro rata entitlements and/or in respect of excess applications that may be reduced by decision of the Board of Directors, to subscribe for these securities pursuant to the provisions of article L. 22-10-51 of the French Commercial Code. If subscriptions, including where applicable those of existing shareholders, do not absorb the entirety of an issue of securities, the Board of Directors may limit the amount of the capital increase as provided by law;
6. takes note that this delegation of authority entails the waiver by shareholders of their preferential rights to subscribe for the ordinary shares in the Company to which the investment securities that would be issued under this delegation of authority may confer entitlement;
7. decides that the Board of Directors shall determine the terms and conditions, specific characteristics, and amount of any issuance and of the securities issued. In particular, it shall determine the type of securities to be issued and shall set, based on the information contained in its management report, their subscription price, with or without premium, the date, possibly with retroactive effect, from which they shall have dividend rights, as well as, where applicable, the period during which or the terms under which the investment securities issued under this resolution shall give access to equity securities in the Company, in accordance with legislation in force, as well as the conditions under which beneficiaries' entitlement to investment securities giving access to ordinary shares shall be temporarily suspended, pursuant to applicable legal provisions. It should be noted that, except where the provisions of the twenty-first resolution apply, the issue price of ordinary shares and investment securities shall be such that the amount immediately collected by the Company plus, where applicable, any amount that may be collected by the Company at a later date shall be, for each ordinary share issued, at least equal to the minimum amount stipulated by regulations in force at the time when this delegation of authority is used. As of the date of this meeting and pursuant to the provisions of Article R. 22-10-32 of the French Commercial Code, this minimum amount is the weighted average share price over the three trading days preceding the start date of the public offering as defined by Regulation (EU) 2017/1129 of June 14, 2017 less, where applicable, a discount not to exceed 10%;
8. decides that the Board of Directors shall have all powers, with the option to sub-delegate said powers in accordance with applicable laws and regulations, to implement this delegation and in particular by executing any agreement for this purpose, especially in order to ensure the successful completion of any capital increase, to proceed with the issuances referenced above, on one or more occasions, in such amounts and at such times as it may deem fit, on the French market and/or, where applicable, any foreign market and/or the international market (and also, where appropriate, to suspend any issuance), to record the completion of each capital increase and amend the Company's bylaws accordingly, as well as to carry out any formalities, file any declarations, and obtain any authorizations found to be necessary for carrying out the issuances and ensuring their successful completion;
9. determines that this delegation of authority shall be valid for a period of twenty-six months as of the date of this meeting and that it supersedes, where applicable in respect of the unused amounts, any prior delegation of authority having the same purpose.

TWENTY-SECOND RESOLUTION

Delegation of authority to the Board of Directors, for a period of 26 months, to increase the share capital through the issue, by way of a public offering covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders, of shares and/or any other type of investment securities giving immediate and/or future access to shares in the Company

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and pursuant to the provisions of Article L. 411-2-1° of the French Monetary and Financial Code and of Articles L. 225-129 et seq., L. 225-135 et seq., L. 228-91 et seq. and L. 22-10-49 et seq. of the French Commercial Code, hereby:

1. delegates its authority to the Board of Directors to increase the Company's share capital, with the option to sub-delegate this authority as provided by laws and regulations, on one or more occasions, in such amounts and at such times that it may deem fit, through the issue, by way of an offering covered by Article L. 411-2-1° of the French Monetary and Financial Code, without preferential subscription rights for existing shareholders, on the French and/or any foreign market, whether denominated in euros, any foreign currency, or any other unit of account based on a basket of currencies, of (i) ordinary shares in the Company as well as (ii) any other type of investment securities that are equity securities giving immediate and/or future access by any means, at any time or on a specific date, to other equity securities of the Company or (iii) any investment securities giving immediate and/or future access to equity securities to be issued by the Company, which may be subscribed for either in cash or by offsetting receivables;

2. decides that the aggregate nominal value represented by any capital increases that may be carried out, whether immediately or over time, under this resolution may not exceed either 10% of the share capital over a period of 12 months or the nominal value of ten million euros (€10,000,000), with the understanding that the aggregate nominal value represented by these capital increases shall count toward the overall upper limit set forth in the nineteenth resolution. To this nominal value shall be added, where applicable, the aggregate nominal value of any additional shares to be issued, as provided by law and by any contractual requirements providing for other cases of adjustment, to protect the rights of holders of investment securities giving access to ordinary shares in the Company;
3. decides that the investment securities giving access to ordinary shares in the Company issued under this resolution may comprise debt securities, other securities issued together with this type of instrument, or allow the issue thereof as intermediate securities. In particular, these securities may be subordinated or unsubordinated, dated or undated, and may be denominated in euros, any foreign currency, or any other accounting unit based on a basket of currencies;
4. decides that the aggregate nominal value of the debt securities potentially to be issued under this resolution may not exceed ten million euros (€10,000,000) or its equivalent in any currency other than the euro or in any other unit of account as of the date when the issue is decided, and that this nominal value shall count towards the overall upper limit set forth in the seventeenth resolution, with the understanding that it shall not include redemption premiums above par, if provided for. The bonds giving access to ordinary shares in the Company thus issued may bear interest at a fixed and/or variable rate or may involve the capitalization of interest, may be subject to redemption prior to maturity, with or without a premium, which may be amortized, and that the securities may also be the focus of a share repurchase program or a tender or exchange offer by the Company. The aforementioned upper limit shall not apply to the debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code, nor to the other debt securities referred to in the last paragraphs of Articles L. 228-92, L. 228-93 and L. 228-94 of the French Commercial Code;
5. decides to exclude the preferential rights of shareholders to subscribe for the ordinary shares and/or investment securities to be issued under this delegation of authority;
6. takes note that this delegation of authority entails the waiver by shareholders of their preferential rights to subscribe for the ordinary shares in the Company to which the investment securities that would be issued under this delegation of authority may confer entitlement;
7. decides that the Board of Directors shall determine the terms and conditions, specific characteristics, and amount of any issuance and of the securities issued. In particular, it shall determine the type of securities to be issued and shall set, based on the information contained in its management report, their subscription price, with or without premium, the date, possibly with retroactive effect, from which they shall have dividend rights, as well as, where applicable, the period during which or the terms under which the investment securities issued under this resolution shall give access to equity securities in the

Company, in accordance with legislation in force, as well as the conditions under which beneficiaries' entitlement to investment securities giving access to ordinary shares in the Company shall be temporarily suspended, pursuant to applicable legal provisions. It should be noted that, except where the provisions of the twenty-third resolution apply, the issue price of ordinary shares and investment securities shall be such that the amount immediately collected by the Company plus, where applicable, any amount that may be collected by it at a later date shall be, for each ordinary share issued, at least equal to the minimum amount stipulated by regulations in force at the time when this delegation of authority is used. As of the date of this meeting and pursuant to the provisions of Article R. 22-10-32 of the French Commercial Code, this minimum amount is the weighted average share price over the three trading days preceding the start date of the public offering as defined by Regulation (EU) 2017/1129 of June 14, 2017 less, where applicable, a discount not to exceed 10%;

8. decides that the Board of Directors shall have all powers, with the option to sub-delegate said powers in accordance with applicable laws and regulations, to implement this delegation and in particular by executing any agreement for this purpose, especially in order to ensure the successful completion of any capital increase, to proceed with the issuances referenced above, on one or more occasions, in such amounts and at such times as it may deem fit, on the French market and/or, where applicable, any foreign market and/or the international market (and also, where appropriate, to suspend any issuance), to record the completion of each capital increase and amend the Company's bylaws accordingly, as well as to carry out any formalities, file any declarations, and obtain any authorizations found to be necessary for carrying out the issuances and ensuring their successful completion;
9. determines that this delegation of authority shall be valid for a period of twenty-six months as of the date of this meeting and that it supersedes, where applicable in respect of the unused portion, any prior delegation of authority having the same purpose.

TWENTY-THIRD RESOLUTION

Authorization given to the Board of Directors, for a period of 26 months, under the terms and conditions decided at the Shareholders' Meeting, to set the issue price for equity securities to be issued immediately or over time, without preferential subscription rights for existing shareholders

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and pursuant to the provisions of Articles L. 225-129 et seq., L. 228-91 et seq., and L. 22-10-49 et seq. of the French Commercial Code, hereby:

1. authorizes the Board of Directors, with the option to sub-delegate its authority as provided by law and regulations, for each of the issues decided pursuant to the twenty-first and twenty-second resolutions and within the limit of 10% of the share capital (as of the date of the Board Meeting deciding in favor of the planned issue), for a period of 12 months, to depart from the price determination procedures

stipulated by regulations in force at the time when this authorization is used, noting that as of the date of this meeting these procedures are set out in Article R. 22-10-32 of the French Commercial Code, and to set the issue price for equity securities to be issued, whether immediately or over time, by way of a public offering other than those covered by Article L. 411-2-1° of the French Monetary and Financial Code, or by way of a public offering covered by Article L. 411-2-1° of the French Monetary and Financial Code, as follows:

- a) for equity securities to be issued immediately, the Board may apply either of the following two procedures:
 - issue price equal to the average price of the Colas share over a maximum period of six months preceding the issue,
 - issue price equal to the volume-weighted average price (VWAP) of the Colas share on the day preceding the issue, with a maximum discount of 20%,
- b) for equity securities to be issued over time, the issue price shall be such that the amount collected immediately by the Company plus any amount that may be collected at a later date shall, for each share issued, be at least equal to the amount mentioned in Item a) above;

The derogation pricing procedures would enable the price to be set as closely as possible to the evolution of the Company's share price and/or market conditions during the transaction,
2. decides that the Board of Directors shall have all powers necessary to implement this resolution, in accordance with the terms of the resolution under which the issue is decided;
3. determines that this authorization shall be valid for a period of twenty-six months as of the date of this meeting and that it supersedes, where applicable in respect of the unused portion, any prior authorization having the same purpose.

TWENTY-FOURTH RESOLUTION

Delegation of authority to the Board of Directors, for a period of 26 months, to raise the number of new shares to be issued in the event of a capital increase with or without preferential subscription rights for existing shareholders

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, having examined the report of the Board of Directors and the special report of the Statutory Auditors, and pursuant to the provisions of Articles L. 225-129 et seq., L. 225-135-1, L. 228-91 et seq. and L. 22-10-49 et seq. of the French Commercial Code, hereby:

1. delegates its authority to the Board of Directors, including the option to sub-delegate this authority as provided by law and regulations, to decide, in the event of a capital increase with or without preferential subscription rights for existing shareholders, in case of use by the latter of the delegations granted to him under the nineteenth, twentieth, twenty-first and twenty-second resolutions above, to raise the number of new shares to be issued, within the time periods and limits provided for by applicable regulations as of the issue date (thus, as of the date of this meeting, for

a period of 30 days as of the end date of the subscription period), within the limit of 15% of the original issue, and subject to compliance with the upper limits provided for in the resolution pursuant to which the issue is decided;

2. determines that this delegation of authority shall be valid for a period of twenty-six months as of the date of this meeting and that it supersedes, where applicable in respect of the unused portion, any prior delegation of authority having the same purpose.

TWENTY-FIFTH RESOLUTION

Delegation of authority to the Board of Directors for the purposes of amending the bylaws to ensure compliance

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, delegates to the Board of Directors, pursuant to the provisions of Article L. 225-36 para. 2 of the French Commercial Code, the power to make any amendments necessary to the bylaws to ensure their compliance with legal and regulatory provisions, with such amendments subject to ratification at the next Extraordinary Shareholders' Meeting.

This delegation of authority is granted for a period of one year, ending at the close of the Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2023.

TWENTY-SIXTH RESOLUTION

Extension of the Company's term of existence and corresponding amendment to Article 5 of the Company's bylaws

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, having heard the report of the Board of Directors and pursuant to the provisions of Article 1844-6 of the French Civil Code, decides to extend the Company's term of existence by 99 years as of this meeting.

Consequently, the meeting decides to amend Article 5 ("Term") of the bylaws as follows:

Article 5 – Term

The term of existence of the Company is set at ninety-nine years as from May 23, 1929, its definitive date of formation, unless the Company is dissolved early or its term of existence is extended as provided for by these bylaws. By vote on April 25, 2023, the shareholders decided to extend the Company's existence for a new term of ninety-nine years. The Company's date of expiration is thus April 25, 2122, unless the Company is dissolved early or its term of existence is extended once again.

TWENTY-SEVENTH RESOLUTION

Option for the Board of Directors to be consulted via written consultation and corresponding amendments to Articles 17 and 18 of the Company's bylaws

The Shareholders' Meeting, which meets the quorum and majority requirements for Extraordinary Shareholders' Meetings, having heard the report of the Board of Directors, hereby authorizes the Board of Directors to be consulted via written consultation.

Consequently, the meeting decides to amend Articles 17 and 18 of the bylaws as follows:

Article 17 – Deliberations of the Board:

The Board of Directors meets as often as necessary in the interests of the Company, either at the registered office or any other venue.

Meetings may be convened by any means, including verbally. Meeting notices are issued by the Chairman or any other member of the Board who has been delegated to perform this task as the former's deputy, or in the event of the separation of management roles, by the Chief Executive Officer. The Board may also be convened by half of its members. However, a group of Directors constituting at least one-third of the Board's members may call a Board Meeting, including notification of its agenda, if the Board has not met for more than two months.

Any Director may give another Director a proxy, by letter, cable or telex, to represent him/her at a Board Meeting. However, each Director may only hold one proxy at any given Board Meeting. These provisions apply to the permanent representative of a legal entity serving as Director.

Meetings of the Board of Directors are only quorate if at least half of its members are in attendance.

The Board may adopt internal rules, which can stipulate that Directors who take part in a Board Meeting remotely via videoconferencing, or by using any other telecommunications method permitting them to be identified and participate fully in the meeting as required by applicable laws and regulations, are deemed to be in attendance for the purposes of quorum and majority.

Decisions are taken by a majority of the Directors present (or deemed to be present if taking part remotely via videoconferencing, or by using any other telecommunications method permitting them to be identified and participate fully in the meeting) or represented. Each Director has one vote and any Director serving as proxy for another member has two votes. In the event of a tie, the Chair of the meeting has the casting vote.

Decisions are taken by a majority of the Directors present or represented. Each Director has one vote and any Director serving as proxy for another member has two votes. In the event of a tie, the Chair of the meeting has the casting vote.

The Directors, as well as any other individuals who may be invited to attend meetings of the Board of Directors, are sworn to secrecy with respect to any information that is confidential in nature and presented as such by the Chair of the meeting.

The following decisions may be taken by the Board of Directors via written consultation, at the request of the Chairman:

- provisional appointment of Board members;*
- authorization of sureties, endorsements and guarantees given by the Company;*
- decisions to amend the bylaws to ensure their compliance with legal and regulatory provisions, as delegated by the Shareholders' Meeting;*
- convening notice of Shareholders' Meeting;*

- transfer of the Company's registered office within the same French administrative department.*

Written consultation of Directors may be carried out by any means, in particular by email.

Article 18 – Minutes of Meetings of the Board of Directors:
A register of attendance of Directors present or represented at meetings of the Board shall be maintained.

The Board's deliberations shall be recorded in minutes containing the mentions required by regulations, entered into a special numbered and initialed minute book, signed by the Chair of the meeting and at least one other Director. If the Chair of any meeting is unable to sign the minutes, they must be signed by at least two Directors having attended the meeting.

Copies or abstracts of these minutes shall be signed and certified as provided by applicable laws and regulations.

A copy or excerpt from the minutes is sufficient proof of the number of Directors in office and of their attendance or representation at any Board Meeting.

Decisions taken via written consultation are recorded in minutes drawn up by the Chairman of the Board. These minutes are kept on file in application of the same procedures used for those recording any other decisions of the Board of Directors.

TWENTY-EIGHTH RESOLUTION

Amendment of Directors' term of office and corresponding amendment of Article 14 of the Company's bylaws

The shareholders, having met the quorum and majority requirements for Extraordinary Shareholders' Meetings and having heard the report of the Board of Directors, agree to amend the Directors' term of office stipulated in the bylaws from two to three years.

Consequently, the meeting decides to amend Article 14 of the bylaws as follows:

Article 14 – Directors' duties: duration and limitations:
Directors are appointed for three-year terms.

The Board of Directors shall be renewed at each annual Shareholders' Meeting, alternating between one or more members, if applicable, so that the Board can be completely renewed in three years, done as equally as possible according to the number of members.

All outgoing members can be re-appointed.

TWENTY-NINTH RESOLUTION

Amendment of the term of office for Advisory Board members and corresponding amendment of Article 23 of the Company's bylaws

The shareholders, having met the quorum and majority requirements for Extraordinary Shareholders' Meetings and having heard the report of the Board of Directors, agree to amend the term of office for members of the Advisory Board as stipulated in the bylaws from two to three years.

Consequently, the meeting decides to amend Article 23 of the bylaws as follows:

Article 23 “Advisory Board Members”:

“The Ordinary Shareholders’ Meeting may appoint one or more members of the Advisory Board to serve for a term of three years.

The duties of a member of the Advisory Board automatically end at the first Shareholders’ Meeting held after the member has reached the age of 70.

In the event of vacancy due to death or resignation of one or more members of the Advisory Board, the Board of Directors may make temporary appointments. These appointments are subject to approval by the next General Meeting.

The Members of the Advisory Board are responsible for ensuring the strict application of the bylaws. They attend

Board Meeting in an advisory capacity. When they deem it appropriate, they present observations to the Board of Directors on all matters on which the latter is called upon to deliberate, and they may present their observations on these matters to the General Meeting.

The Advisory Board members receive the same attendance fees as those received by the directors.

THIRTIETH RESOLUTION

Powers to carry out legal requirements

The Shareholders’ Meeting, which meets the quorum and majority requirements for Ordinary Shareholders’ Meetings, shall grant the bearer of a copy or extract of the minutes of this meeting full powers to file any documents or comply with any legal requirements that may be necessary.

The Board of Directors

This document is a free translation into English of the original French “Résolutions”, hereafter referred to as the “Resolutions”. It is not a binding document. In the event of a conflict in interpretation, reference should be made to the French version, which is the authentic text.



14

CERTIFICATION OF THE ANNUAL FINANCIAL REPORT

Certification of the annual financial report

I hereby declare, after undertaking all due diligence to this end, that the information in this annual financial report is, to my knowledge, accurate and that there are no omissions that could impair the scope of this information.

I hereby declare that to the best of my knowledge the financial statements have been drawn up in compliance with applicable accounting standards and provide an accurate view of the assets, financial position and profits of the Company and the consolidated companies, and that the management report included in this document provides an accurate image of business trends, profits and the financial position of the Company and all consolidated companies as well as a description of the main risks and uncertainties to which they are exposed.

Signed in Paris, March 30, 2023

A handwritten signature in blue ink, consisting of stylized, overlapping loops and strokes, positioned above a horizontal line.

Frédéric Gardès

Chairman and Chief Executive Officer

Colas, 1 rue du Colonel Pierre Avia, 75730 Paris Cedex - France. Tel: +33 1 47 61 75 00. Fax: +33 1 47 61 76 00. www.colas.com.
Colas, a French Société Anonyme with a capital of 48,981,748.50 euros. RCS Paris 552 025 314.



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Designed & published by  **LABRADOR** +33 (0)1 53 06 30 80



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