



Financial Report 2023



Three simultaneous value-adding approaches

Transdev combined three different approaches in 2023: accelerating international expansion, consolidation in France and a strong commitment to the energy transition.

The Group's consolidated revenue totaled €9.3 billion in 2023, up 21% on 2022 (and 6.3% on a like-for-like basis), mainly due to the acquisition of First Transit in North America, a sustained level of commercial development and the effect of contractual indices, impacted by rising production costs and high inflation.

Against a complex economic and social backdrop, the Group reported a net profit of €20.1 million, comparable to 2022, and this despite an increase in financial expenses, thanks to the commitment of all employees and the support of the Group's customers. The Current Operating Result (COR) totaled €169.1 million. All the above figures show that, on the financial front, we have managed to consolidate our post-COVID-19 recovery and the waning effects of energy prices in our contracts.

Transdev expanded its international operations in 2023, particularly in North America. The acquisition of First Transit was completed on March 6, 2023, strengthening our offer of sustainable mobility services and innovative public transportation in the United States and Canada, where we now serve almost 400 million passengers a year. We generated a combined revenue of more than €2.6 billion in the United States and Canada over the past year.

We also stepped up the expansion of our operations in the four countries where we operate in Latin America: Ecuador, Chile, Colombia and Brazil. By way of example, Ecuador inaugurated its first metro line in Quito, its capital, which opened on December 1, 2023. It is operated by Transdev and its partner for six years. In Chile, Transdev rolled out more than 900 buses, including almost 260 electric buses.

Transdev renewed its Brisbane bus contract in Australia for two years from June 2023 and, in New Zealand, its Greater Wellington rail contract for six years from June 2025.

In Germany, as one example of the many contracts won in Europe, the Group renewed its Chemnitz-Leipzig rail contract for eight years from June 2024, marking the introduction of the country's first battery-powered electric trains. In Sweden, we successfully launched our operation of the regional bus services in Gästrikland.

France is Transdev's stronghold, and this position was further consolidated by our successes in 2023. Four public service delegation contracts were renewed for Lens, Le Havre, Reims and Niort. They represent more than €1.4 billion of business over the term of the contracts. In the Greater Paris region, we won a six-year operating contract for 37 bus lines in the north of Essonne and a five-year operating contract for 35 lines in the east of Yvelines (Versailles). As part of the organization of the major sporting events in Paris in 2024, Transdev was awarded a contract to transport 100,000 accredited guests.

We know what an essential role public transportation plays in local economic and social cohesion. Working closely with our customers, and in line with their financial capacities as always, we implement complementary bespoke mobility solutions, tailored to each site and the specific user requirements. As part of this, we are accelerating our energy transition efforts, with 2,900 electric vehicles in operation at the end of 2023. The Group has its own "Moving Green" environmental strategy and has set its own targets for reducing greenhouse gas emissions (by 30%/100 km) and increasing its alternative fleet by 50% by 2030 (compared to 2018). We continually strive to address two pressing needs: how to reduce the carbon footprint of the mobility sector while empowering freedom to move using reliable, efficient and innovative solutions that serve the common good.

Thierry Mallet, Chairman & CEO, Transdev Group

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Management report Transdev Group S.A.

Board of directors' management report on the 2023 consolidated
and statutory financial statements to the ordinary general meeting

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Transdev: North America's leading private operator of public transportation

On March 6, 2023, Transdev completed the acquisition of 100% of First Transit's shares, thereby strengthening its offer of sustainable mobility services and innovative public transportation in North America.

By joining forces with First Transit, the Group became the leading private operator of public transportation services in the United States and Canada.

Transdev now carries almost 400 million passengers per year in North America and generated a combined revenue of more than €2.6 billion in the region in 2023. Operations and maintenance are conducted at more than 440 sites in 43 US states, Puerto Rico and 6 Canadian provinces. In

North America, Transdev now employs nearly 35,000 people, dispose of a fleet of more than 20,000 vehicles (owned or operated) and maintains 34,000 additional vehicles and equipment in the United States, through a specialized division.

This acquisition takes part of the Group's "Moving Green" strategy, which involves continuous investment in technology and low-carbon options for vehicles, thus offering safe and environmentally friendly transportation services. Moreover, this transaction was financed through a loan in US dollars index-linked to sustainable development indicators, in line with the Group's strategy.

Macroeconomic impacts on Group operations

Rebalancing of energy prices

Due to its energy-intensive operations, the public transportation sector is exposed to price fluctuations.

While the Group's 2022 net income was heavily impacted by the rise in energy prices in Europe, 2023 saw a reduction in energy costs and an increase in prices stemming from contractual indexation mechanisms.

Accordingly, the positive impact of lower energy prices is estimated, for 2023, at €111 million (net of indexation and public aid) compared with last year. This impact was mainly seen in Europe.

In conjunction with other stakeholders in the sector and in a climate of uncertainty due to price volatility, the Group continues its efforts to improve the frequency of updating and the quality of the energy indices used in contracts.

Altered passenger behaviors, following the COVID-19 crisis

For some of its contracts, the Group is directly and indirectly exposed to changes in passenger behaviors, which are often more pronounced in major metropolitan areas.

On some contracts affected by a drop in ridership, the Group endeavors to redefine its commitments to factor in this type of unforeseeable event.

In this context, the Netherlands and Germany have maintained their public transportation subsidies to mitigate the impacts of decreased ridership due to COVID-19 and to preserve the quality of the public transportation offer with a view to promote the modal shift. Germany has also introduced a €49 monthly pass for regional public transportation, throughout the country.

High inflation and rising interest rates

2023 was also marked by high levels of inflation and rising interest rates in most countries where the Group operates.

Although this rise in interest rates did not have a significant impact on the cost of financial debt for 2023, due to a mainly fixed-rate financial debt, the Group is exposed to this rise in interest rates for its new operations, including the loan for the acquisition of First Transit, as well as the increased undiscounting costs related to its provisions.

Tight labor market

The Group faces recruitment and retention difficulties, requiring subcontractors or overtime to deliver the service and limit penalties for missed trip.

To address these sector-specific challenges, the Group launched several partnerships and various recruitment campaigns, as part of its "Moving You" strategy.

In France, Académie by Transdev, its apprenticeship training center, continued its expansion by working to promote access to employment in the mobility sector through apprenticeships and helping inclusion of people furthest from the labor market.

Each network is working hard to attract and retain new employees.

Outlook and Transdev's operational response

Public transportation has an essential role to play in countries' economic, social and territorial cohesion and ecological transition.

Transdev enables each person to travel thanks to reliable, efficient and innovative solutions. Working closely with its clients, the Group contributes to the development of local areas, adapts its services and innovates to meet the new behaviors and needs of passengers, as well as the financial capacities of its clients.

In 2023, Transdev continued to accelerate its energy transition by continuing the rollout of its alternative fleet (non-diesel). The Group has set goals for reducing greenhouse gas emissions (by 30%/100 km) and increasing its alternative fleet by 50% by 2030, still as part of its "Moving Green" strategy and green dedicated initiatives.

Transdev continues to focus on energy efficiency through commitments and concrete actions over the medium and long term, through better management of energy consumption and, in particular, through an accelerated rollout of eco-driving.

In terms of social inclusion, the Group continues to innovate and extend its services to cover all local areas (especially in peri-urban areas), in order to meet new mobility needs and promote modal shift.

Management report on the consolidated financial statements

Key figures – Consolidated financial statements

(€ millions)	Fiscal year 2022 (12 months)	Fiscal year 2023 (12 months)
Revenue	7,707.2	9,329.6
EBITDA (Earnings before interest, taxes, depreciation and amortization)	512.4	595.8
Current operating result ⁽¹⁾	87.0	169.1
Net income (loss)	22.2	22.9
Net income – Group share	20.4	20.1
Net financial debt (NFD)	1,133.9	1,266.4

⁽¹⁾ Note VI.4.1.2. of the notes to the consolidated financial statements describes the reconciliation of EBITDA to current operating result and operating result.

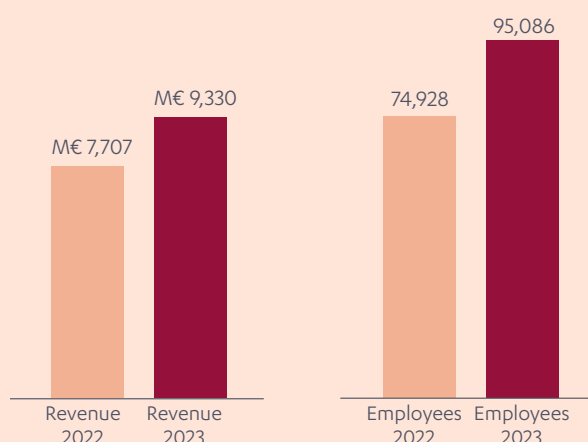
Group keys figures

The Group operates in **19** countries

Annual revenue: M€ **9,330**

95,086 employees⁽¹⁾

Revenue & Number of employees - 12 months⁽¹⁾



⁽¹⁾ Figures do not include the contribution of public-private partnerships. Data on number of employees are stated as a weighted average number of employees and do not include discontinued operations or employees of joint ventures and associates.

Group performance in 2023

Financially, Transdev consolidated its post-COVID-19 recovery and the normalization of energy price effects in its contracts, with a profitable position in 2023, thanks to the commitment of all employees and the support of its clients.

This results in a Current Operating Result (COR) of +€169.0 million.

The Group's EBITDA improved over 2023 (+16%), not only due to a change in the scope of consolidation following the acquisition of First Transit, but also due to a good performance in certain geographical areas and the waning impact of the energy crisis, which significantly impacted 2022. The Group's net financial debt rose slightly (+€132 million) but remained at a very contained level, even though the Group continued to invest heavily (€596 million in gross operating investments) and financed the acquisition of First Transit through debt.

Notwithstanding an economic and social context that remains complex, the Group records a net income of €20.1 million, comparable to the previous year, despite the increase in financial expenses.

Uncertainties due to the volatility of energy prices or the upcoming negotiations with the public transport authorities on contracts in difficulty have been reflected in the Group's long-term plan. Transdev recognized losses on completion for certain onerous contracts in Germany and Sweden.

Despite the macroeconomic difficulties faced by the public transportation sector, the Group continued its efforts in terms of energy transition and investment. In addition to a growing fleet of electric vehicles (nearly 2,900 electric vehicles in operation in 2023), the Group continued its development on hydrogen and bio-NGV solutions.

Business development and activities

2023 was marked by the acquisition of First Transit, completed on March 6, 2023.

The Group had major business gains and renewals across all markets, with some significant examples described below.

France

- Transdev renewed four public service delegation contracts in Lens, Le Havre, Reims and Niort. They represent an aggregate business volume of more than €1.4 billion over the six-year terms of the contracts.
- In the Ile-de-France region, Transdev won contracts to operate 37 bus lines serving the north of Essonne and 35 lines serving the east of Yvelines, for six and five years respectively. In addition, Transdev renewed its contract of Rambouillet for eight years.
- Finally, as part of the organization of the Paris 2024 Olympic Games, Transdev was awarded the contract to transport the 100,000 accredited guests.

United States

- Nassau County (New York State) renewed its contract with Transdev for the operation and maintenance of its bus service, the Nassau Inter-County Express, for seven years starting January 1, 2024.
- First Transit, now owned by Transdev, was awarded an operation and maintenance contract for the city of Las Vegas, for four years starting July 1, 2023.
- The Group won a contract for the transportation of people with reduced mobility in Orlando (Florida) for three years starting June 1, 2023.

Germany

- Transdev renewed its RE6 contract for the Chemnitz-Leipzig connection for eight years starting June 2024, marking the introduction of the country's first battery-powered electric trains.
- The Group also renewed its regional bus operations in the Zwickau district for ten years starting January 2026.
- Lastly, Transdev secured the Niers Rhein Emscher (NRE) contract for a further three years, starting December 2025.

Netherlands

- Transdev won the Veluwe Zuid 2 contract worth €26 million a year, for two years starting December 2024.
- The province of South Holland renewed the bus contract for the Hoeksche Waard/Goeree-Overflakkee region for two years starting December 2023.

Australia and New Zealand

- Transdev renewed its Brisbane bus contract for two years starting June 2023 and its Wellington rail contract for six years starting June 2025.

Canada

- Transdev continued its growth strategy in the country through the acquisition of four companies, thus strengthening its historical core businesses of non-emergency medical transportation and school transportation in Quebec, Ontario and Manitoba.
- In Montreal, Transdev won four urban transportation contracts, worth €40 million per year, with duration from eight to ten years starting in 2024.

Chile

- Following the award of the U4 and U6 lots in Santiago late 2022, Transdev, with its company RBU (Redbus Urbano) Santiago, rolled out more than 900 buses, including almost 260 electric ones.

Colombia

- Transdev, with its subsidiary, Green Móvil, put into service South America's first hydrogen-powered bus. The project forms part of the country's national decarbonization strategy.

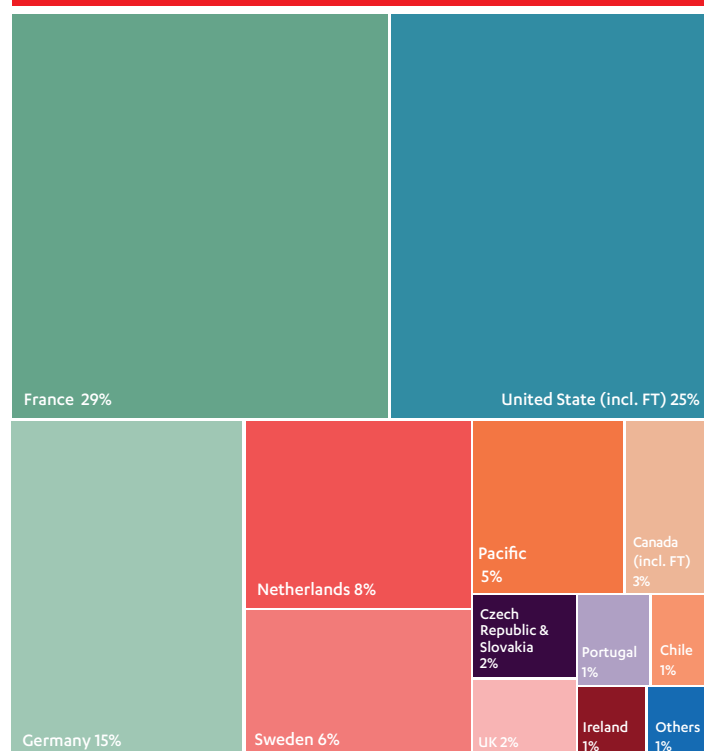
Brazil

- As part of the future line 6 of the São Paulo metro (the largest PPP infrastructure project under development in Latin America), Transdev do Brasil secured an eight-year technical assistance contract with the Concessionária Linha Universidade consortium. This includes the design stage, commercial studies and support for the first three years of operation.

Group results in 2023

The Group's consolidated revenue amounted to €9,330 million in 2023, a 21% increase compared to 2022, mainly due to the acquisition of First Transit, a sustained level of commercial development and the effect of inflation on contractual indices.

Breakdown of 2023 revenue by geographical area



At year-end 2023, EBITDA amounted to €595.8 million, +€512.4 million compared to 2022.

Current Operating Result (COR) stands at +€169.1 million, also significantly higher than the +€87 million reported in 2022, with a margin rate of 1.8% (versus 1.1% in 2022). The drop in energy costs in 2023 helped mitigating the costs associated with the labor shortage.

Financial Result amounted to -€74.2 million in 2023, higher than 2022 (by 63%), mainly due to the increased costs of undiscounting of provisions, following the acquisition of First Transit. However, the rise in interest rates did not significantly impact the cost of financial debt, as most of the debt is at fixed rates.

Net income, Group share, stands at +€20.1 million.

The level of Net Financial Debt (including IFRS 16 lease liabilities) amounts to €1,266.4 million at year-end 2023, up slightly on 2022 (€1,133.9 million), despite the acquisition of First Transit and even though the Group continued to invest heavily (€596 million of gross CapEx).

Foreseeable trends and outlook

The 2024-2029 strategic plan is built on an analysis of markets and the transformations they are undergoing. Mobility is a service that must adapt to changes in passenger behavior. The key factor in this transformation will be the response to the climate challenge. Services must continue to innovate to offer passengers an alternative to individual cars. Fleet energy transition, the development of efficient railway services, and the continuous operational improvement will also contribute to decarbonize mobility.

In line with its “Moving You” strategic plan, Transdev continues to allocate resources and expand its expertise in favor of a high-quality service offer that promotes modal shift, energy transition and the development of multimodal projects.

Recent developments and subsequent events

This information is provided in both the Group consolidated and company financial statements.

Research and development activities

The Group’s innovation activity remains at the heart of its strategy, as confirmed by the following projects:

- Development of digital on-demand transport solutions by Cityway to offer more flexible services that are better adapted to the needs of passengers.
- Transamo’s project management for the construction of a “Mobility as a Service” (MaaS) solution in the city of Montreal in Canada.
- Hybridization of fixed routes and on-demand transport services provided through a unique platform in the Netherlands.
- Steering of a research program led by Gustave Eiffel University (France) to study passenger flows and their elasticity with respect to the transportation offer. This program aims to understand the keys to modal shift.
- Continuation of partnerships with start-ups that offer new services to clients and passengers.
- Development of an electric vehicle charging optimization solution (Take Charge).
- Testing of a hydrogen train in Bavaria (Germany) in 2023.
- Participation, in Normandy (France), in the first retrofit project of a diesel thermal bus into a hydrogen electric bus, which was approved on February 1, 2024.
- Operation of autonomous shuttle vehicles in France, Sweden, the Netherlands and the United States.

Key factors

As an international leader in public passenger transportation, Transdev benefits from an unparalleled field for experimentation. Close to passengers and its public clients, Transdev’s teams ensure the continuity of transportation services on a daily basis. Transdev’s governance is decentralized, thus providing it with a full range of tools to build value: attention to passengers, listening to clients, care for teams, operating performance and innovation.

The implementation of Transdev’s strategy relies on three pillars:

- Employer of choice, inclusive and flexible – Transdev welcomes its employees into dynamic teams driven by the pursuit of the common good. In particular, Transdev launched its manifesto for a diverse, fair and inclusive company;
- Selective investments – Transdev pursued its selective growth despite an uncertain and volatile economic context. A significant step in the Group’s growth was taken in North America with the acquisition of First Transit;
- Developing added value in contracts – Transdev focused on contracts with a high social and environmental impact. Innovations designed closely with local areas and clients characterize Transdev and position it as the global leader in inclusive and green mobility.

To mitigate and manage its exposure to interest rates and exchange rates fluctuation, Transdev uses derivative instruments qualify or not as hedging. Additional information on these instruments is provided in note VI.8.4 to the consolidated financial statements.

Management report on the financial statements

Key figures – statutory financial statements

(€ thousands)	Fiscal year 2022	Fiscal year 2023
Revenue	89,365	87,562
Operating income (loss)	(1,850)	(1,700)
Financial income (loss)	3,408	9,644
Extraordinary income (loss)	(1)	4
Net income (loss)	22,596	30,429

Business activities of the company

The Transdev Group's Operating loss was €1.7 million, compared to a loss of €1.85 million in 2022. The Financial income, comprising primarily dividends paid by the subsidiaries, the net finance costs on the debt of Transdev Group, and changes in impairment of investments, totaled €9.6 million in 2023, compared to €3.4 million in 2022, which included significant impairment of investments.

Additional details on changes in the business and financial position, as well as the activity and results of Transdev Group's subsidiaries and the companies it controls, are provided in the section of the management report on the consolidated financial statements.

After taking into account the tax consolidation bonus, net result is a profit of €30.429 million for the fiscal year.

Capital reduction in 2023

At the shareholders' meeting held on March 20, 2023, the Company's capital was reduced by one hundred and twenty million seven hundred and thirty-four thousand two hundred and forty-one euros and ninety-four cents (€120,734,241.94), from one billion two hundred and six million thirty-five thousand nine hundred and twenty-seven euros and twenty cents (€1,206,035,927.20) to one billion eighty-five million three hundred and one thousand six hundred and eighty-five euros and twenty-six cents (€1,085,301,685.26), by cancelling twelve million five hundred and fifty thousand three hundred and thirty-seven (12,550,337) shares with a par value of €9.62, including twelve million three hundred and sixty-three thousand and eighteen (12,363,018) ordinary shares with a par value of €9.62 and one hundred and eighty-seven thousand three hundred and nineteen (187,319) Class A Preference Shares with a par value of €9.62. The capital reduction was completed in full on March 20, 2023.

New investments and disposals during the fiscal year

In 2023, the Company carried out acquisitions and subscribed for increases of capital totaling €49.8 million, net of disposals, and consisting mainly of:

- €49.8 million increase of capital by Transdev Canada,
- €22.5 million acquisition of Transdev Services (Canada) Inc, shares contributed for the above-mentioned increase of capital by Transdev Canada.

Existing branches

The Company's operation of the establishment opened in Singapore in 2021 continued in 2023.

Post-closing events

None.

Research and development activities

Transdev Group engages in research and development activities within its new business lines.

Miscellaneous information

In fiscal year 2023, the total amount of lavish expenses within the meaning of Article 39-4 of the French General Tax Code (*Code général des impôts*) totaled €171,787.

Report on corporate governance

Information concerning corporate officers and executive management

As of the date of this report, the Board of Directors is comprised of the 13 directors listed below, including one independent director and two directors who represent employees.

Directors	Date appointed/reappointed	Date term of office expires
Ms. Anne-Marie Couderc (Independent director)	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Mr. Thierry Mallet Director and Chairman of the Board of Directors Chief Executive Officer	March 29, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2025 General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Caisse des Dépôts et consignations, represented by Ms. Audrey Girard	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Ms. Marie-Hélène Michon	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Mr. Jean-Michel Fenaut (Director representing employees)	July 1, 2020	July 1, 2024
Ms. Anja Kühler (Director representing employees)	June 18, 2020	June 18, 2024
Mr. Pierre Aubouin	March 26, 2021	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2024
Ms. Carole Abbey (until December 8, 2023)	March 26, 2021	Resignation effective December 8, 2023
Ms. Corinne Lejbowicz	December 8, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2024
Mr. Olivier Sichel	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Mr. Ludger Rethmann (Vice-Chairman of the Board of Directors)	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Dr. Werner Kook	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Mr. Jean-Louis Hurel	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026
Ms. Sophie Barbier	July 9, 2020	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2023
Mr. Egbert Tölle (Board observer)	March 20, 2023	General shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2026

As the terms of office as directors of Anne-Marie Couderc, Marie-Hélène Michon, Caisse des Dépôts et consignations, Olivier Sichel, Ludger Rethmann, Dr. Werner Kook and Jean-Louis Hurel were expiring at the conclusion of the shareholders' meeting convened to approve the financial statements for the year ended December 31, 2022, they were renewed during the shareholders' meeting of March 20, 2023 for a period of four years expiring at the conclusion of the shareholders' meeting that will be convened to vote on the financial statements for the year ending December 31, 2026.

The term of office as Board observer of Egbert Tölle was renewed during the shareholders' meeting of March 20, 2023 for a period of four years expiring at the conclusion of the shareholders' meeting that will be convened to vote on the financial statements for the year ending December 31, 2026.

The term of office of Ludger Rethmann as Vice-Chairman of the Board was renewed by the Board of Directors on March 20, 2023 for his term of office as a director.

As the term of office as director of Ms. Sophie Barbier will expire at the conclusion of the shareholders' meeting convened to approve the financial statements for the year ended December 31, 2023, the shareholders are being requested to renew her term of office for a period of four years expiring at the conclusion of the shareholders' meeting that will be convened to vote on the financial statements for the year ending December 31, 2027.

On February 1, 2024, the Board of Directors examined the independence criteria applicable to independent directors and decided that Anne-Marie Couderc continues to meet the criteria for being considered an independent director, notwithstanding the fact that she has held her office for over 12 years.

As the Company is not listed and is exclusively controlled by the Caisse des Dépôts et consignations, no directors are concerned by the obligations to disclose remuneration as set out in Article L. 225-102-1 of the French Commercial Code (Code de commerce), as amended by Order No. 2014-863 of July 31, 2014.

In addition, the table below lists the offices and positions held by the various corporate officers in all companies.

MR. THIERRY MALLET

Transdev Group	Chairman and Chief Executive Officer Director Chair and Member of the Strategic Committee Chair and Member of the Investment Committee
Transdev SA	Chairman and Chief Executive Officer Director
Transdev Ile-de-France	Chairman and Chief Executive Officer Director
Transdev Sverige AB	Chairman of the Board Director
Transdev Northern Europe AB	Chairman of the Board Director
Transdev Connexxion Holding BV	Chairman of the Board Director Class A
Transdev North America INC	Director
Transdev Australasia Pty LTD	Director
HIME/SAUR	Member of the Advisory Board

MR. PIERRE AUBOUIN

ADL Participations	Member of the Supervisory Committee
Aéroports de la Côte d'Azur	Board Observer
CIBAIR	Member of the Executive Committee
Gestionnaire d'infrastructure CDG Express	Member of the Board of Directors Chairman of the Board of Directors
Transdev Group	Director Deputy member of the Investment Committee
Institut de la gestion déléguée	Member of the Board of Directors
Ludev-Logistique urbaine développement (Evol Holding)	Member of the Strategy Committee (term of office ended January 2024)
Mobilité-Agglomération-Rémoise	Chairman of the Board of Directors
Logivolt Territoires	Member of the Strategy Committee

MR. OLIVIER SICHEL

Transdev Group	Director
Caisse des dépôts et Consignations	Deputy Chief Executive Officer
CDC Habitat	Member of the Supervisory Board
Euronext N.V	Member of the Supervisory Board
La Poste	Director
Assia Inc.	Member of the Board of Directors (resignation effective February 15, 2023)
Agence nationale de la cohésion des territoires	Representative of Caisse des Dépôts on the Board of Directors (until June 15, 2023)
Fondation digital new deal	Chairman of the Board of Directors

MS. ANNE-MARIE COUDERC

Transdev Group	Independent director Member of the Audit Committee Member of the Strategy Committee Chair and Member of the CSR Committee
Plastic Omnium	Independent director Chair and Member of the Remuneration and Appointments Committee
Ramsay Générale de Santé	Independent director Member of the Audit Committee Member of the Risk Committee Chair and Member of the Remuneration and Appointments Committee
Air France/KLM	Independent director Chair of the Board of Director
Veolia	Director
CESE (Conseil économique et social)	Member

MS. SOPHIE BARBIER

Transdev Group	Director Member of the Strategy Committee
Compagnie des Landes	Member of the Supervisory Board
Novethic	Member of the Strategy Committee

MS. MARIE-HELENE MICHON

Transdev Group	Director Member of the Appointments and Remuneration Committee Member of the CSR Committee
GeoPost IMDH	Member of the Supervisory Board
DPD Deutschland GmbH	Member of the Supervisory Board
Chronopost SAS	Member of the Supervisory Committee

DPD France SAS	Member of the Supervisory Committee
Pickup Services	Member of the Supervisory Committee
Pickup Logistics SAS	Member of the Supervisory Committee
GeoPost Holdings Ltd	Member of the Board of Directors
GeoPost Intermediate Holdings Ltd	Member of the Board of Directors
DPDgroup UK Ltd	Member of the Board of Directors
DPD UK Ltd	Member of the Board of Directors
Speedy AD	Member of the Board of Directors Member of the Audit Committee
DPD Polska	Member of the Supervisory Committee

MS. ANJA KÜHLER

Transdev Group	Director representing employees Member of the CSR Committee
Transdev GMBH	Member of the Supervisory Committee representing employees

MR. JEAN-MICHEL FENAUT

Transdev Group	Director representing employees Member of the Audit Committee
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DR. WERNER KOOK

Transdev Group	Director Member of the Investment Committee Member of the Strategy Committee Member of the Appointments and Remuneration Committee Member of the CSR Committee
Niederrheinische Verkehrsbetriebe Aktiengesellschaft Niag	Member of the Board
RETHMANN Group	Chief Representative Rethmann Group
BDI-Verkehrsausschuss	Member
IHK-Fachausschuss Verkehr und Logistik	Member
Bundesfachkommission Verkehr, Logistik, Infrastruktur, Mobilität 4.0, Wirtschaftsrat Deutschland	Board Member Wirtschaftsrat Deutschland, Chairman BFK Verkehr, Infrastruktur, Mobilität 4.0
RHENUS SE & Co. KG	Chief Representative
RETHMANN SE & Co. KG	Chief Representative
FB4-Advisory Boards Wirtschaftswissenschaftliche Fakultät Der Westfälischen Wilhelms-Universität Münster	Member
Initiativkreis Ruhr	Member

MR. LUDGER RETHMANN

Transdev Group	Director Vice-Chairman of the Board of Directors
Board of RETHMANN SE & Co. KG	Member
Board of REMONDIS SE & Co. KG	Chief Executive Officer
Supervisory board SARIA SE & Co. KG	Member
Supervisory board RHENUS SE & Co. KG	Member
Advisory board Deutsche Bank SE	Member
Advisory board Kirchoff Group	Member
Supervisory board of the Clinic Group Katholische St. Paulus Gesellschaft	Member
Board of Trustees St. Marien Hospital	Member

MR. JEAN-LOUIS HUREL

Transdev Group	Director Chair and Member of the Audit Committee Deputy member of the Investment Committee
RETHMANN France SAS	Chairman
ENSCR (Ecole Nationale Supérieure de Chimie de Rennes)	Director

MS. CORINNE LEJBOWICZ

Transdev Group	Director Member of the Audit Committee
Groupe La Poste	Director Member of the Strategy and Investment Committee
Française des Jeux	Director Member of the Audit and Risk Committee
Groupe associatif Ares	Director

MS. AUDREY GIRARD

Transdev Group	Standing Representative of the Caisse des Dépôts et consignations Director Chair and member of the Appointments and Remuneration Committee Member of the Audit Committee Member of the Strategy Committee Member of the Investment Committee Member of the CSR Committee
CDC Investissement immobilier	Standing Representative of the Caisse des Dépôts et consignations Director

CDC Investissement immobilier interne	Standing Representative of the Caisse des Dépôts et consignations Director
ORPEA	Standing Representative of the Caisse des Dépôts et consignations Director Member of the Audit and Risk Committee Member of the Appointments Committee Member of the Remuneration Committee Member of the Investment Committee
Compagnie des Alpes	Standing Representative of the Caisse des Dépôts et consignations Director Member of the Audit and Risk Committee
SCET	Standing Representative of the Caisse des Dépôts et consignations Director
Association HAP (hôpital Paul Desbief) Marseille Fondation hôpital Ambroise Paré Marseille – Hôpital Européen Marseille	Director

MR. EGBERT TÖLLE

Transdev Group	Board Observer
REMONDIS Group	Board Member
REMONDIS International Group	Chairman/CEO (Aqua/Recycling)
Lhoist/Rheinkalk Group	Member of the Supervisory Board
German Eastern Business Association	Member of Presidency

TRANSDEV GROUP TERMS OF OFFICE EXPIRED IN 2023

MS. CAROLE ABBEY

Transdev Group (until December 8, 2023)	Director Chair and Member of the Appointments and Compensation Committee Member of the Investment Committee Member of the Audit Committee Member of the Strategy Committee Member of the CSR Committee
SCET	Director Chair of the Board of Directors Member of the Remuneration Committee
BPIFrance SA	Director Member of the Risk Committee Member of the Audit Committee
BPIFrance Participations	Director Member of the Investment Committee
BPIFrance Investissements	Director
ICADE	Director

Statutory auditors

The term of office of MAZARS, the principal statutory auditor, was renewed for six years during the general shareholders' meeting of March 20, 2023; therefore, there is no need to renew it.

The term of office of E&Y et Autres, the principal statutory auditor, was renewed for six years during the general shareholders' meeting of March 29, 2022; therefore, there is no need to renew it.

Powers and/or authority delegated to the board of directors

In respect of capital increases

There are no delegations of powers or authority to the Board of Directors.

Agreements within the scope of article L.225-38

During the past fiscal year, the following agreements were entered into, either directly or via an intermediary, between the Company and the Chief Executive Officer, any deputy managing directors, one of the corporate officers, one of the shareholders who holds more than 10% of the voting rights in a Company, or, if the shareholder is a company, the company which controls it within the meaning of Article L. 233-3, as well as agreements entered into between the Company and any other business, if the Chief Executive Officer, any of the deputy managing directors or any of the corporate officers of the Company is the owner, partner with unlimited liability, manager, director, member of the supervisory board or, in general, an officer of that company, other than agreements relating to day-to-day transactions that are entered into under normal conditions:

- Caisse des Dépôts et consignations and Rethmann France concluded an amendment to the shareholders' agreement, following prior approval granted by the Board of Directors on February 2, 2023, with the directors representing Caisse des Dépôts et Consignations and the Rethmann Group not taking part in the vote.

The following agreements approved in previous years continued in 2023:

- A shareholders' agreement signed on January 9, 2019 by Caisse des Dépôts et consignations and Rethmann France, which was witnessed by Rethmann SE&CO KG and the Transdev Group, was approved by the Board of Directors at its meeting of December 21, 2018, as amended, with the directors representing Caisse des Dépôts et consignations and the Rethmann Group not taking part in the vote.
- An investment protocol signed by Caisse des Dépôts et Consignations, the Company, Rethmann France, Rethmann SE&CO KG and Transdev GmbH, which establishes the terms for (i) the Rethmann Group's acquisition of a stake in the Company, (ii) Transdev GmbH's purchase of Rhenus Veniro shares and (iii) the capital increase of Transdev Group paid up on June 28, 2019.
- A corporate officer's agreement that defines the conditions under which Mr. Thierry Mallet performs his duties in his capacity of Chairman and CEO; Mr. Thierry Mallet did not take part in the vote..

Agreements entered into between senior managers or significant shareholders of the company and a subsidiary

The Investment Protocol was approved by Transdev Group's Board on December 21, 2018 and signed that same date between Caisse des Dépôts et Consignations, Transdev Group, Transdev GmbH, Rethmann SE&CO KG and Rethmann France (the Investment Protocol) as well as the agreements entered into pursuant to the Investment Protocol on January 9, 2019, continued during 2023.

1. Transdev GmbH's purchase of Rhenus Veniro's shares on 9 January 2019
Rhenus SE sold and Transdev GmbH purchased:
 - (i) all limited partner shares in Rhenus Veniro; and
 - (ii) all securities of Rhenus Veniro Verwaltungen, representing 100% of the capital and voting rights of Rhenus Veniro Verwaltungen.
Rhenus Veniro Verwaltungen held all general partner shares in Rhenus Veniro, which together with the limited partner shares referred to in sub-section (i) above, represent all securities of Rhenus Veniro, i.e. 100% of the capital and voting rights of Rhenus Veniro.
2. Two transition services agreements between Rhenus Veniro, Rethmann Services and Rethmann SE, which respectively establish the nature, duration and compensations terms of the services provided by the Rethmann Group to the companies of the Rhenus Veniro Group.
 - (i) Management agreements between Rhenus Veniro and NIAG
 - (ii) Transdev GmbH's assumption of the obligations under warranties Rethmann SE furnished to companies of the Rhenus Veniro group.

Employee shareholding

As of December 31, 2023, the Company's employees did not hold any of its shares.

Directors' fees

Transdev Group's general meeting of shareholders held on March 20, 2023 voted to set the total gross annual amount of directors' fees to be paid to the Board of Directors in 2023 at €60,000. This amount is to be divided among the directors. A gross amount of €48,750 will be awarded for 2023.

We propose that you grant a gross annual amount of €90,000 in directors' fees for fiscal year 2024.

Statement of non-financial performance

The statement of non-financial performance is provided in Appendix 2 to this report.

Vigilance plan

The Company's vigilance plan and the report on its effective implementation are included in the statement of non-financial performance.

Proposed appropriation of income for 2023

We propose that you allocate the income (profit) for fiscal year 2023, i.e., +€30,429,225.40, to the legal reserve (+€1,521,460.97), to the payment of dividends (+€10,040,732.85) in an amount of €0.089 per share and to the retained earnings account (+€18,867,031.58).

Dividends distributed by the Company in the last three fiscal years:

2020	None
2021	None
2022	None

Amount of loans granted by the company that are ancillary to its main business (Article L511-6 3 bis, par. 2, of the French Monetary and Financial Code (*Code monétaire et financier*))

None.

Information on Transdev Group SA payment periods

	Invoices received not paid at closing date and overdue					Invoices issued not paid at closing date and overdue				
	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total for 1 day or more ¹	1 to 30 days	31 to 60 days	61 to 90 days	91 day or more	Total for 1 day or more ¹
A°) Overdue										
Number of invoices					10					122
Total including VAT for related invoices (in thousand of euros)	10	0	0	8	17	1,302	4,387	286	2,980	8,955
As a percentage of purchases/net sales (including VAT)	0%	0%	0%	0%	0%	1%	5%	0%	3%	10%
B°) Invoices excluded from (A) relating to disputed or unrecorded invoices										
Number of invoices excluded					9					-
Total including VAT for related invoices (in thousand of euros)					161					-
C°) Payment term used	Contractual payment term					Contractual payment term				

The number of invoices is calculated based on the number of occurrences; an occurrence corresponds to the number of overdue invoices in the accounts "accounts payables-goods and services" and "payables related to acquisition of fixed assets" for invoices received and "accounts receivables" and "receivables on disposal of tangible and intangible fixed assets" for invoices issued.

The total including VAT for related invoices corresponds to the year-end balance of the above mentioned invoices.

Invoices excluded from (A) correspond to doubtful customers accounts.

N/A : not applicable as long as revenue from the company is made of other revenue only (no net sales).

After the statutory auditors have read their reports to you, we will request that you approve the Company's consolidated and statutory financial statements and the allocation of income.

If you agree with these proposals, we request that you approve the resolutions submitted to you for a vote.

Appendix 1

Results (and other key figures) of the company during the last five fiscal years

(€ thousands)	Fiscal year 2019	Fiscal year 2020	Fiscal year 2021	Fiscal year 2022	Fiscal year 2023
I - Capital at the end of the period					
Share capital	1,137,120	1,206,036	1,206,036	1,206,036	1,085,302
Number of ordinary shares issued	118,203,700	125,367,560	125,367,560	125,367,560	112,817,223
II - Transactions and results for the period					
Revenue, excluding taxes	69,004	67,898	59,794	70,455	72,075
Income before taxes, employee profit sharing and allowances/ reversals of depreciation, amortization and provisions	4,806	17,225	11,883	694	112,906
Corporate income tax	24,631	22,203	21,575	21,038	22,496
Employee profit sharing owed for the period	-	-	-	-	-
Income after taxes, employee profit sharing and depreciation, amortization and provisions	94,592	(294,140)	(69,938)	22,596	30,429
Income distributed	-	-	-	-	10,041
III - Income per share (in euros)					
Income after taxes, employee profit sharing but before depreciation, amortization and provisions	0.23	0.31	0.27	0.17	1.20
Income after taxes, employee profit sharing and depreciation, amortization and provisions	0.75	(2.35)	(0.56)	0.18	0.27
Dividend paid per share	-	-	-	-	0.0890
IV - Workforce					
Average number of employees during the period	310	297	260	258	272
Payroll during the period	25,546	28,355	23,927	25,223	27,628
Amounts paid as employee benefits during the period (Social security, benefit programs)	11,850	13,303	11,106	11,831	12,669

Appendix 2
Statement of non-financial performance

I. Transdev, a fast-growing global group at the heart of mobility challenges



Our business is essential to the success of the ecological transition

Thierry Mallet,
Chairman and CEO

Mobility is a vital necessity. Being able to move around on a daily basis is essential for studying, working, getting healthcare, seeing family and friends, accessing culture... It's a factor of social cohesion and economic development. Facilitating, encouraging, but also decarbonizing mobility is at the heart of Transdev's business.

We need to respond to three challenges: firstly, we need to offer mobility for all, for all communities, adapted to local needs. Then there's the challenge of decarbonization, with solutions that help reducing our carbon footprint, protect our environment and our communities. Finally, it's the challenge of recruiting and caring for our employees. They are our strengths in the field, enabling us to deliver the right service wherever we do business.

In fact, all the Group's employees - over 100,000 on four continents - embrace the same purpose: "Empowering freedom to move everyday thanks to safe, reliable and innovative solutions that serve the common good".

To this we add our core values: care, share and dare. Diversity, equity and inclusion are also at the heart of the Group's priorities: we are people serving people's mobility.

This common foundation gives Transdev the assets it needs to meet the challenges of a changing world. The Group has set itself targets for reducing greenhouse gas emissions and has adopted the "Moving Green" environmental strategy to achieve them.

The Group, in all its organizations, is committed to adapting to climate change. We offer mobility solutions tailored to the needs of each region, drawing on the great diversity of our achievements around the world. Since the end of

2023, the Group has been operating 2,900 electric vehicles*. At the same time, the energy mix we offer to our customers is gradually moving away from fossil fuels, with the increasing deployment of a fleet of vehicles powered by renewable biogas or biofuels, while continuing to use

electric, battery-powered or hydrogen-powered vehicles.

But it's not just a question of technology. The aim is to give as many people as possible access to public and shared transportation, increasing the range of services wherever possible. Transdev has thus become one of the most "multimodal" companies, able to offer all transportation modes on land (train, metro, light-rail, bus, coach, bicycle, transport on demand...) or on water (river and sea shuttles and ferries).

Transdev knows how to serve urban centers as well as low-density outlying areas. Every day, we serve nearly 12 million passengers in 19 countries, with the aim of making their

daily journeys easier, more efficient, and more sustainable. This is the meaning we give to our business, today and tomorrow: bringing people and regions closer together.

We offer mobility solutions tailored to the needs of each region, drawing on the diversity of our achievements around the world

*operating scope including First Transit

In 2023, the environmental scope does not include data from First Transit United States entities. They will be progressively integrated in 2024.
The zero-emission fleet includes electric and hydrogen-powered buses and coaches with zero carbon dioxide tailpipe emissions (cf. annex 1 of the Taxonomy regulation's delegated acts).

Value creation

Our resources

Committed teams throughout the world

102,027 employees

26 % women in the Group

+150 job categories and 320 in-house experts,

19 countries

A business model that contributes to respecting resources

Environmental

18.1 %* alternative fleet**

1,622* zero-emission bus and coaches

Financial

€773 M in shareholders' equity and a committed long-term shareholder

€9.3 bn in revenue

99.2 % of revenue (excl. First Transit) is eligible under the climate change mitigation objective

€596 M EBITDA

An ecosystem of partners

€309 K donated through the Transdev Foundation

2,600 suppliers qualified as inclusive suppliers***

MOVING YOU, a strategy for serving communities

Welcoming new passengers

Enhancing our value proposition for our customers

Being the leader in green innovation

Guaranteeing sustainable performance

Building diverse and cohesive teams

*consolidated scope excluding First Transit United States

Transdev's actions

Transdev's purpose:
We empower freedom to move every day thanks to safe, reliable and innovative solutions that serve the common good.

CSR APPROACH

DIVERSITY, EQUITY AND INCLUSION

ATTRACTING, ENGAGING AND RETAINING TALENTS

SOCIAL AND ECONOMIC DEVELOPMENT OF THE COMMUNITIES WE SERVE

ETHICS AND COMPLIANCE

GLOBAL CARBON FOOTPRINT

GLOBAL SAFETY AND SECURITY

TRANSDEV'S COMMITMENTS FOR 2030

-30 % greenhouse gas emissions per 100 km (base year 2018)

+50 % alternative fleet (base year 2018)

+34 % women in Top Executive positions (base year 2021)

TRANSDEV'S ACTIVITIES

Urban

Interurban

Rail

Light vehicles

Maritime transportation

Support activities

**non-diesel road fleet (CNG, biogas, electric, biofuel, hydrogen)

Our value creation

For the planet

-16 %* GHG emissions (in intensity) between 2018 and 2023

-41 %* of NOx between 2018 and 2023

38 %* of entities certified ISO 14001

For the employees

94 % of employees on permanent contracts

98 % of employees received training during the year

+5,000 managers obtained the Health and Safety certification

For the local areas

29,426 new hires in communities

2,500 private and public clients assisted

29 projects founded by Transdev Foundation

For the communities

12 M passengers each day worldwide

8 % of expenditures made with suppliers in the inclusive sector***

For the partners

€3,8 bn in average purchases of products and services in the 6 key countries

€62 M in dues and taxes in France

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

***France scope

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Business model

Transdev possesses global expertise derived from over **150 business lines**. Each day, **70,837** drivers serve the Group’s local authority customers.

Buses, high-frequency bus services, coaches, solidarity shuttles, trains, metros, trams and tram-trains, ambulances, transportation for people with reduced mobility, on-demand transportation (ODT), autonomous vehicles, bike sharing, funiculars, cable cars, maritime and inland waterway transportation are representative of the broad range of modes of transportation and systems and day-to-day infrastructure that Transdev operates all over the world. In addition to its role as an operator, Transdev is committed to offering all kind of mobility solutions at the service of its customers, and delivering sustainable and inclusive mobility.

A significant milestone was achieved in 2023: Transdev became the leading public transportation operator in North America with the acquisition of First Transit. The Group offers a full range of modes of transportation, including buses and coaches, transportation for people with reduced mobility, shuttle services, and fleet maintenance. The North American public transportation market is a growth market that offers attractive prospects for buses and coaches, school transportation, transportation for people with reduced mobility and shuttle services. With highly complementary business activities and geographical footprints in the United States and Canada, this strategic alliance will benefit both passengers and customers, with an offer enriched by the expertise of both companies’ teams.

Transdev activities

					
Urban	Intercity	Rail	Light vehicles	Maritime transportation	Other
<ul style="list-style-type: none">Urban and peri-urban busesUrban railTramwayMetro	<ul style="list-style-type: none">Peri-urban and intercity coachesLong-distance coachesStaff transportationTourism & charters	<ul style="list-style-type: none">BtoG railCommercial rail	<ul style="list-style-type: none">Ambulances and non-emergency medical transportationParatransitTaxisAutonomous vehiclesShuttles	<ul style="list-style-type: none">Ferries	<ul style="list-style-type: none">Rail infrastructurePOA* consultingDigitalCall centersAir cargoRoad cargoHolding company and resourcesOther activities

* project owner assistance

Mobility solutions

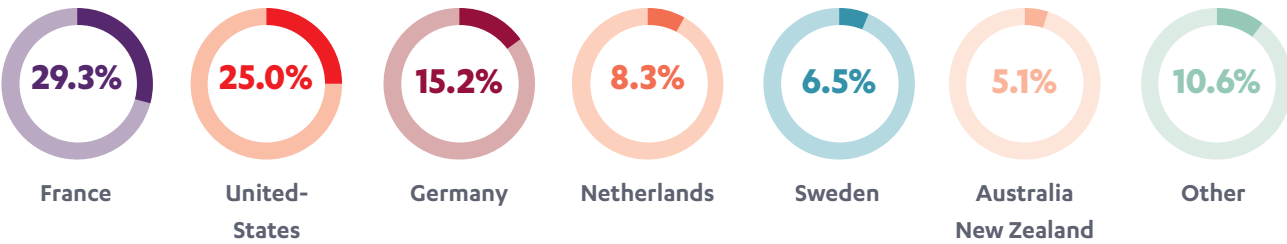
- Mobility solutions (urban, intercity, rail, maritime) deployed by Transdev:
- meet the expectations of its customers, which are public transit authorities at the national, regional and municipal levels, as well as those of its private customers, with respect, transparency and integrity;
 - are adapted to the specificities of populations and communities;
 - are in line with the demands of society as a whole (ease of use, taking into consideration environmental and health requirements, and fairness).

Geographical presence

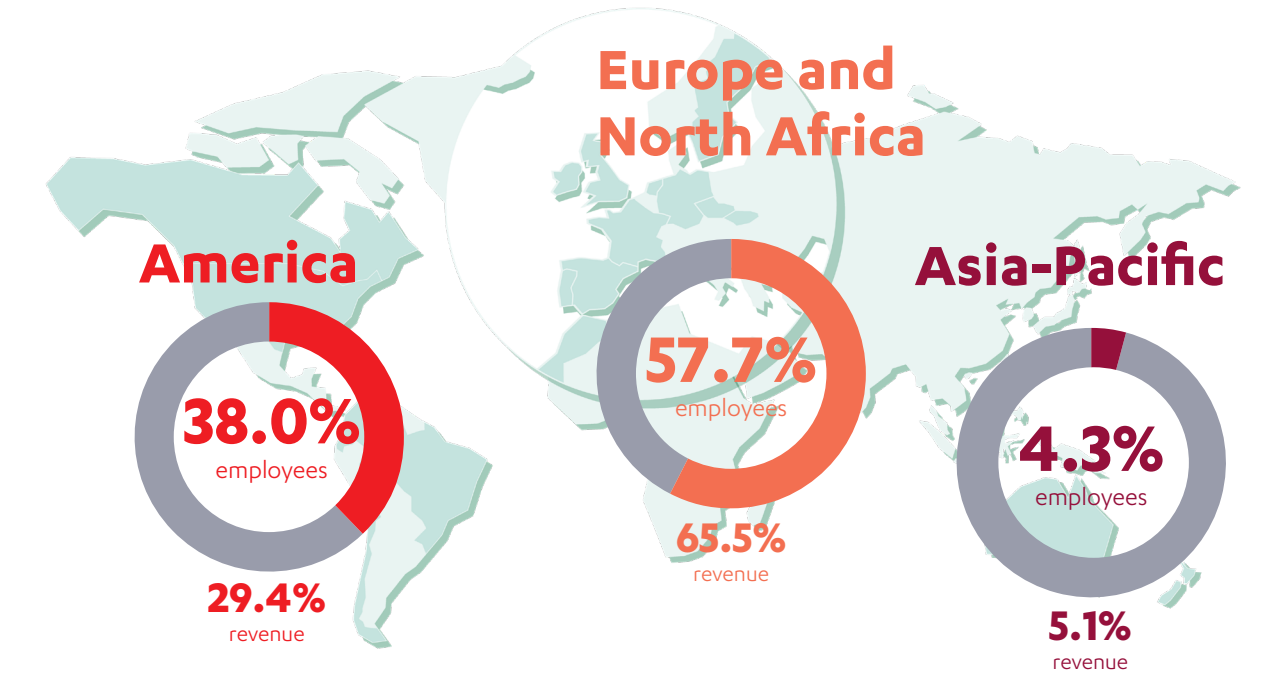
To meet the specific demands of each group and community and to offer solutions tailored to the communities it serves, Transdev teams are locally based in 19 countries on four continents.

Countries where Transdev operate			
AUSTRALIA BRAZIL CANADA CHILE COLOMBIA	CZECH REPUBLIC ECUADOR FRANCE GERMANY IRELAND	MOROCCO NETHERLANDS NEW-ZEALAND PORTUGAL SLOVAKIA	SPAIN SWEDEN UNITED KINGDOM UNITED STATES

Revenue by country



Revenue and workforce by geographical zone



2023 key figures

9.3 billion euros in revenue	595.8 million euros EBITDA	169.1 million euros current operating result	20.1 million euros net income – Group share
21 %** increase in revenue in 2023	1.3 billion euros net financial debt	19 countries	12 million passengers each day
16 modes of transportation	46,801* vehicles operated	1,622* zero emission*** buses and coaches	69% drivers
102,027 employees	94 % of employees on permanent contracts	26 % women	+150 different job categories
<small>*consolidated scope excluding First Transit United States **including First Transit ***as defined by the Taxonomy</small>			

Ecosystem of competitors and partners

HISTORICAL OPERATORS	PUBLIC TRANSIT AUTHORITIES	SUPPLIERS	MANUFACTURERS	MOBILITY START-UPS	DIGITAL GIANTS
        	       	      	        	         	     

Traditional competitors are expanding into new geographical areas:

- in Australia, RATP Dev was awarded the contract to operate and maintain the WSA metro line in Sydney;
- in Egypt, Deutsche Bahn was awarded a high-speed rail contract;
- in Saudi Arabia, Alsa and Moventia, two Spanish companies, each won a major intercity bus contract;
- ComfortDelGro joined forces with RATP and was awarded the contract to operate future line 15 of the *Grand Paris* metro network;
- in France, Trenitalia and Renfe entered the high-speed rail market;
- in Central Europe, Renfe acquired 50% of Leo Express and is providing support for its expansion.

In addition, **operators** are withdrawing from markets and contracts deemed unprofitable or that are highly volatile:

- in Germany, after Keolis and Abellio, Go-Ahead is the latest operator to withdraw from the rail market;
- in the United Kingdom, a new bus franchising model is being developed in major cities, starting with Manchester.

In a number of countries, the shareholder structure of several of our **competitors** has changed after being bought out by investment funds. The most recent example is Arriva, which Deutsche Bahn sold to I Squared Capital.

Like manufacturers, **suppliers** have been heavily impacted by the crisis but have benefited from the stimulus plans announced. They are also seeing their business model transformed in an increasingly electric, intelligent and connected market. Software developers will undoubtedly play a key role.

Manufacturers are accelerating their transition to an electric offer, driven by government stimulus plans. Faced with rising raw material prices, manufacturers in the automobile sector have been forced to streamline their mobility service offers (car sharing, taxis).

All players in the ecosystem have expanded their geographical presence and some of them have developed new business segments.

Start-ups are converting themselves into multimodal mobility platforms with a growing portfolio of activities (passenger transportation, logistics, meal delivery, shopping): Flix Mobility and Blablacar are continuing to raise funds to expand into new geographical areas (United States, United Kingdom, Portugal). Start-ups have also sought to partially withdraw from the autonomous vehicle business to share the burden of R&D investments.

The digital giants are enhancing their mobility offers with new services. For example, Google has expanded its multimodal transportation offer by adding several new services and a payment solution to Google Maps.

For public transportation operators, the current driver shortage is a major issue, which concerns all Group countries. This situation, which is due to a combination of structural and cyclical factors such as aging driver population and the effects of the Covid-19 health crisis, directly impacts operators' ability to provide the expected service and working conditions. In response, Transdev is deploying considerable resources to attract new drivers and create the best possible conditions to retain them.

Against this backdrop, the Group is endeavoring to maintain its value offer by:

- attracting and retaining talent;
- obtaining the support of public transit authorities to jointly build the services needed in local areas;
- continuously adapting the service offer to changing needs and lifestyles;
- continuing the energy transition of its fleets to meet the challenges of climate change and more expensive raw materials;
- innovating and making an even greater commitment to preserving jobs and maintaining service, which are the key to social cohesion in the communities it serves.

Contracts, costs and financing

In the course of its business, Transdev commits to imagining, building, organising and operating appropriate mobility solutions for everyone, in a highly regulated global passenger transportation market that is open to competition in measures that vary considerably by country and mode of transportation.

Over 95% of Transdev activities involve contracts to manage transportation services on behalf of local authorities – BtoG activities (cities, metropolitan areas, departments, regions or national governments). The Group also works for other private communities or associations, such as in Canada, where it provides transportation services for several schools, and in France and Chile, with its airport transportation offer. If a market is open to competition, access thereto is usually decided through a competitive bidding procedure. When the specifications are prepared, the public transit authority (the customer) will determine the specific needs to be met. The bidder whose bid best meets these requirements in terms of understanding local specificities and that offers the most favorable price will be awarded the contract. Therefore, each contract is a unique response to a local demand in terms of modes of transportation, and also takes into account the number of vehicles involved, the frequency of service, pricing and the commitments the bidder may make on future developments in the use of the transportation system.

Compensation

When Transdev contracts with government agencies, its customers are public transit authorities. In such case, two forms of collaboration are possible:

- **Gross contracts:** the public transit authority undertakes to pay a predetermined amount based on a volume of service (in hours or kilometers, for example). All passenger revenue is remitted to the public transit authority. In certain cases the contract may provide for variable compensation tied to increases in ridership. Apart from such variable compensation, Transdev does not bear the risk of passenger revenue; however, Transdev generally bears the costs necessary to provide a proper level of service in accordance with the contract;
- **Net contracts:** under these contracts, Transdev generally receives a grant from the public transit authority in an amount agreed upon when the contract is signed. All or part of the profits generated from passenger revenue accrue to Transdev (directly, or indirectly under a bonus/penalty system), which assumes the risks in connection with revenue and cost management. The grant is intended to cover the difference between projected revenue and projected costs.

Overall, Transdev business is divided between these two types of contracts, although this allocation may vary significantly by country and activity.

Transdev creates value in all its activities by:

- meeting all needs of its customers, whether they are passengers, public transit authorities or businesses;
- developing new solutions for future needs and markets;
- focusing on operational excellence in order to provide the best possible service at all times at the lowest cost.

Cost control

The main costs are:

- employee payroll;
- financing the vehicle fleet;
- energy and fuel costs;
- financing for operations.

Employee payroll

Ordinarily, Transdev directly employs all teams that provide its services. Transdev’s teams are its greatest asset.

Financing the vehicle fleet

For contracts with public transit authorities (depending on geographical area and modes of transportation), the fleet is provided:

- by the public transit authority; or
- by Transdev.

In this case, two situations are possible:

- Transdev owns the equipment;
- Transdev leases the equipment from a third party, in which case it is not exposed to residual value risk.

In all cases, the equipment must comply with the specifications established by the public transit authority.

Energy and fuel costs

Group vehicles are fueled primarily by diesel, electricity, hydrogen and gas. Most contracts with public transit authorities include indexation clauses that cover mainly energy costs and subsequent employee remuneration. These clauses do not in all cases set off the full amount of price increases as the changes in the indices may not be aligned with costs actually incurred.

Financing for operations

The Group relies on a combination of financing, such as:

- capital: Transdev’s parent company, Transdev Group, is jointly owned 66% by Caisse des Dépôts and 34% by Rethmann France;
- bonds;
- bank loans and a Schuldschein placement;
- asset financing consisting primarily of operating leases;
- resources generated by operating working capital;
- profits from operations.

A sector undergoing transformation

The sector constantly evolves to adapt to changing lifestyles and the urgency of the climate challenge. In response to these challenges, Transdev, as a leading industry player, plays an essential role in offering mobility solutions that help transform communities sustainably.

Changes in mobility habits

Since the health crisis, the sector has had to adapt to changing mobility habits. Alternatives to public transportation, such as electric bicycles or cars, have been encouraged and incorporated into government stimulus plans that confirm enduring changes in mobility habits.

Although transportation networks have regained momentum, behaviors have changed: eight waves of surveys that Transdev carried out in France between 2020 and 2022 track the behavior of public transportation users and detect weak signals. Despite a gradual increase in ridership since the end of the pandemic, the share of pre-Covid users has fallen with each survey. New practices have become established, such as the widespread adoption of teleworking and users’ modal shift. However, this drop in the number of former users is offset by higher numbers of new users, due to life transitions such as a new home or a new job. The customer base is changing along with users’ preferences.

Ecological transition and community cohesion

In the context of record greenhouse gas concentrations and worrying weather events, governments agreed to advance the goal of global adaptation and resilience for the most vulnerable countries. Resilient transportation infrastructures have become fundamental for the environmental, social and economic viability of communities, as well as a genuine challenge for transport operators, including Transdev an international mobility player.

More than ever, Transdev must play its part in the global context of climate emergency:

- a role in supporting the energy transition in local areas by offering high-quality mobility solutions that reduce emissions per passenger;
- a role in developing efficient transportation network connectivity, relying in particular on rail transportation, which is one of the most effective methods for meeting climate challenges;
- a role as a development catalyst for populations in peri-urban areas thanks to shared, multimodal and inclusive mobility offers that provide citizens with access to mobility.

Transdev’s adapted mobility networks and sound infrastructure management provide it with the means to make a contribution to decarbonizing mobility by:

- committing to the energy transition of its fleet deploying an alternative fleet or retrofitting existing vehicles;
- reducing the environmental impacts of all activities (solarization of depots and buildings);
- focusing on developing rail transportation, which is still the most efficient form of low-emission public transportation, and by promoting suitable urban infrastructure (such as high-frequency bus services);
- improving the customer experience in order to encourage the use of public transportation and thus reduce the use of private cars, including in low-density areas;

- by innovating and designing a new mobility model (Transportation on Demand (TOD), car-sharing).

The various mobility decarbonization policies promoted by governments are characterized by approaches that, to a greater or lesser extent, favor modal shift from private cars to public transport. Transdev is convinced that public transportation is destined to play a decisive role in the ecological transition, and is committed to supporting public decision-makers in their transition to low-carbon mobility.

Designing mobility in 2030

Forward-looking studies have identified four major trends between now and 2030:

- **climate issues taken into account:** both in terms of public and private actions to combat global warming (energy transition of vehicles, energy savings, private vehicle restrictions in urban centers), and in terms of the efforts required to adapt to the impacts of climate change (assessment and management of risks due to natural disasters, infrastructure adaptation);
- **greater driver shortages:** this global, industry-wide problem, which has become even more acute since the Covid-19 health crisis, is due in part to a demographic imbalance in the driver population and a change in professional aspirations within society.

54 %
of the Group's drivers
are over 50 and will
retire within the next
10 to 15 years.

To attract and retain new employees, transportation operators must work to increase their appeal and improve working conditions;

- **greater use of artificial intelligence (AI) and autonomous mobility:** the development of autonomous and intelligent transportation systems, one of the major upheavals in tomorrow’s mobility, is a strategic challenge for the sector. These technological revolutions will improve the company’s overall performance at every level. Artificial intelligence is used for predictive fleet maintenance, as well as for employee training.

Another high-profile application is the use of AI to operate self-driving vehicles. Autonomous mobility will take the form of driverless shuttles and robo-taxis, both of which will become increasingly common by 2030: the first will be seen mainly in Europe, whereas robotic cabs will be more prevalent in the USA and Asia;

- **digitalization and on-demand mobility:** innovation to provide improved passenger service will continue to accelerate the digitalization of the customer experience. The concept has moved from a test phase to a stage of widespread acceptance by users. Transportation operators have a key role to play in this movement, particularly in encouraging the emergence of on-demand mobility solutions, where personalized mobility and digitalization intersect.

MOVING YOU, the Transdev Group’s strategic plan

The Group establishes the global strategy, sets financial guidelines and assists its subsidiaries in developing their expertise. The ability of the subsidiaries to play their role of responding to the needs of their customers, the public transit authorities, has been strengthened. They deploy the Group’s strategy, *Moving You*.

In this context, and in the service of Transdev’s corporate mission – “we empower freedom to move every day thanks to safe, reliable and innovative solutions that serve the common good” – our strategy adapts to current challenges.

The Group will accelerate its transformation, focusing on three strategic priorities:

- Being an employer of choice and an inclusive leader. Transdev welcomes its employees into dynamic teams driven by the common good. In 2022, a manifesto and a charter for a diverse, equitable and inclusive company were rolled out in all Group countries.

Investing selectively – as lockdowns end and passengers return, Transdev is once again seeing pre-crisis mobility trends. Nevertheless, the energy crisis is still negatively impacting Group operations in Europe.

Against this backdrop, investment decisions are analyzed beforehand to ensure the right conditions for delivering services. An important step in the Group’s growth was taken in North America with the acquisition of First Transit.

- Developing added value through our contracts – Transdev has focused on contracts with a high social and societal impact such as the Bogotá* cable car operation in Colombia, which has opened up entire neighbourhoods . Innovations closely tailored to meet the demands of the communities and of customers set Transdev apart and position it among the global leaders in inclusive and green mobility.

These common priorities are deployed in the 19 countries where Transdev does business pursuant to the strategic roadmap *Moving You*, which is developed by each management team and validated once a year by the Executive Committee (ExCom). This roadmap now incorporates the Group CSR commitments.

At Transdev, a set of fundamental principles guide all actions:

- Taking care of employees, communities and passengers (*Care*);
- Sharing best practices and grow collectively (*Share*);
- Innovating to invent solutions that meet the climate challenge and the range of changes in passengers’ lifestyles (*Dare*).

*operated by Transdev from 2019 to 2023

MOVING YOU, TRANSDEV MANAGERS MAKE A COMMITMENT

The Group reaffirms its commitments in all communities it serves.



Welcoming new passengers

A holistic approach to mobility patterns, based on data analysis, to design solutions that will encourage passengers to opt for public transportation.



Enhancing value offer for customers

Promoting Transdev’s global expertise in service offers so all its customers can benefit from the best practices and expertise of a global group.



Being the leader in green innovation

A position as an operator at the heart of the energy transition of fleets and the transformation of its businesses to design services that take environmental constraints.



Guaranteeing sustainable performance

Responsibly using resources to reduce costs and improve Transdev’s impact on the climate.



Building diverse and cohesive teams

A commitment by everyone to diversity, equity and inclusion to make Transdev an employer of choice.

Dialogue with stakeholders

Transdev engages in a continuous dialogue with a very dense ecosystem of stakeholders at all levels of the organization. The Group intends to build, maintain and develop long-term relationships of trust with its stakeholders.

This will enable it collectively to meet today’s challenges and assist the transitions underway in a spirit of collaboration, cooperation and transparency.

COMMITMENTS AND FORUMS FOR DIALOGUE WITH STAKEHOLDERS	EXAMPLES OF INITIATIVES IN 2023
<p>EMPLOYEES</p> <p>To foster a safe and inclusive working environment and enable its employees to develop the skills needed to progress in the Group’s current and future professional ecosystem, Transdev has introduced regular engagement surveys and innovative HR programs and tools (we@transdev managerial model, drivers@transdev program, training offers).</p>	<ul style="list-style-type: none">• In April 2023, a pilot sociological survey of approximately 2,000 drivers was conducted in France. It gathered information on respondents’ sense of belonging, job motivations and lifestyles.• In June and November 2023, 50 managers from 10 countries took part in the 10th and 11th editions of IN’PULSE, the Group’s executive integration program, which brings together a variety of job categories and profiles.
<p>PASSENGERS</p> <p>The Group is committed to working actively to develop public transportation solutions adapted to the communities it serves, in order to encourage sustainable local economic growth. Transdev maintains a continuous and regular dialogue with stakeholders in the communities where it operates, through regular surveys and by setting up customer relationship management systems. The Group also contributes to the funding of projects with a significant social impact.</p>	<ul style="list-style-type: none">• In January 2023, nine Transdev employees of Heathrow Airport Services received facilitation training through the <i>Going for Care</i> program. This Transdev program makes employees aware of the needs of passengers and internal customers, in order to deliver the best possible customer experience.• In 2023, the Transdev Foundation provided €309,200 in funding for 29 new non-profit projects in the fields of culture, education, employment, health and sport.
<p>SUPPLIERS</p> <p>Reliability is at the core of Transdev’s approach, which focuses on establishing sustainable and ethical relationships with its suppliers, nourished by regular discussions, working groups and a Supplier Relations Charter that highlights social and environmental responsibility. The Group has also put in place a rigorous assessment process to reinforce this approach and ensure a robust and sustainable supply chain.</p>	<ul style="list-style-type: none">• In October 2023, Transdev joined the Hydrogen Fuel Cell Bus Council (HFCBC). This group is made up of public transportation agencies, suppliers and manufacturers working together to promote the use of hydrogen-powered buses in the United States and to share best practices.• In 2023, Transdev Rabat-Salé launched a campaign to raise awareness of the SpeakUP whistleblowing platform for the company’s employees and suppliers.
<p>REGULATORY AUTHORITIES</p> <p>Motivated by the general interest, Transdev contributes to the promotion of policies that encourage optimal deployment of public transportation. Our ongoing dialogue with key organizations, such as French Association for Public Transport (UTP) in France and American Public Transport Association (APTA) in the USA at the national level, and with International Association for Public Transport (UITP) at the international level, ensures a comprehensive and global approach.</p>	<ul style="list-style-type: none">• The Transdev Group took part in the 64th UITP Summit held in Barcelona last summer. This year, Transdev Netherlands and its partner Mobyyou, a startup, were rewarded for their “Be In, Be Out” payment solution, which has been deployed on nearly 250 buses in Eindhoven.• During the 2023 edition of the National Public Transportation Trade Fair (RNTP), Transdev took part in the conference organized by the UTP and the French Public Transportation Authorities Association (GART) on the subjects of public transportation accessibility, energy transition and economic models for financing mobility.
<p>SHAREHOLDERS</p> <p>Transdev maintains a close dialogue with its shareholders, Caisse des Dépôts and Rethmann France, which participate in the company’s decisions according to the rules of governance.</p>	<ul style="list-style-type: none">• The Group interacts with its shareholders through multi-year meetings with governance bodies such as the Strategy Committee, the Investment Committee and the Audit Committee.• Since 2022, the CSR Committee of the Board of Directors has met quarterly to discuss the Group’s CSR issues.
<p>CLIENTS</p> <p>Transdev seeks to establish lasting relationships with its public transit authority customers by meeting their needs, adapting its services, and listening closely to their expectations. This is done by holding regular meetings offering dedicated programs and providing tools to foster links with public transit authorities.</p>	<ul style="list-style-type: none">• ARR’IV is a program that embodies Transdev’s vision of passenger information at the service of users, teams and public transit authority partners.• In 2023, Transdev published the Passenger Information white paper in France. This paper presents a summary of the vision and strategy for 2027 that is backed by a customer survey and field assessment and is aimed at public transit authorities.
<p>SOCIAL PARTNERS</p> <p>Transdev places particular importance on maintaining a high-quality dialogue with employee representatives. To meet this objective, the Group has set up various forums for discussion with employee representatives, at the local, country and European levels.</p>	<ul style="list-style-type: none">• In November 2023, a full-day seminar on the digitization of operations was held for Transdev’s European Works Council.• In April 2023, Transdev Netherlands signed an agreement to negotiate a new collective labor agreement with the Dutch trade unions.

New environmental solutions



In the Netherlands, Transdev placed the first Ebusco® 3.0 in service

Transdev Netherlands has put the first Ebusco® 3.0 into service. Made of composite materials, it has a long range and consumes on average 30 % less energy than the previous model, the Ebusco 2.2, which Transdev had integrated into its fleet.

In Amboise, Transdev, Rétrofleet and ADEME unveil the first retrofitted school bus approved in Europe



The vehicle selected, an Iveco Crossway Euro 6 coach, a model widely deployed in France and Europe, in particular for school transportation, now has a range of 150 kilometers. This new-generation bus will be assigned to school transportation service at the start of the new school year, an ideal opportunity to demonstrate the long range of electric retrofits. The 150-kilometer range without recharging will be more than enough: on average, the school bus will cover 80 kilometers in the morning. The bus will not operate from 10 a.m. to 4 p.m., giving it plenty of time to recharge, as recharging only takes two hours.

In Germany, the first trials of hydrogen trains



Following the partnership concluded in 2021 between the State of Bavaria, Siemens Mobility and Transdev, the first trials of the Mireo Plus H hydrogen train were carried out this year. The Mireo Plus H is scheduled to enter service in mid-2024. It will carry passengers on the Augsburg-Füssen and Augsburg-Peissenberg lines of the Bayerische Regiobahn rail network, a Transdev Group subsidiary.

In France, 18 articulated electric buses were put into service on the Nice-Menton line



On the flagship line in the Alpes-Maritimes region linking Nice to Menton, Transdev has introduced 18 articulated electric buses powered by inverted pantograph technology. Each bus on the line is equipped with charging rails on the roof, to which the pantograph's "arm" attaches to provide the vehicle with a charge of 300kW. This power allows the bus to cover its route three times, without the need to recharge in between.

In Colombia, Transdev will test Latin America's first hydrogen-powered bus

The bus will use green hydrogen of renewable origin. This eight-year zero-emission experiment will be carried out in Bogotá by Transdev's subsidiary Green Móvil.

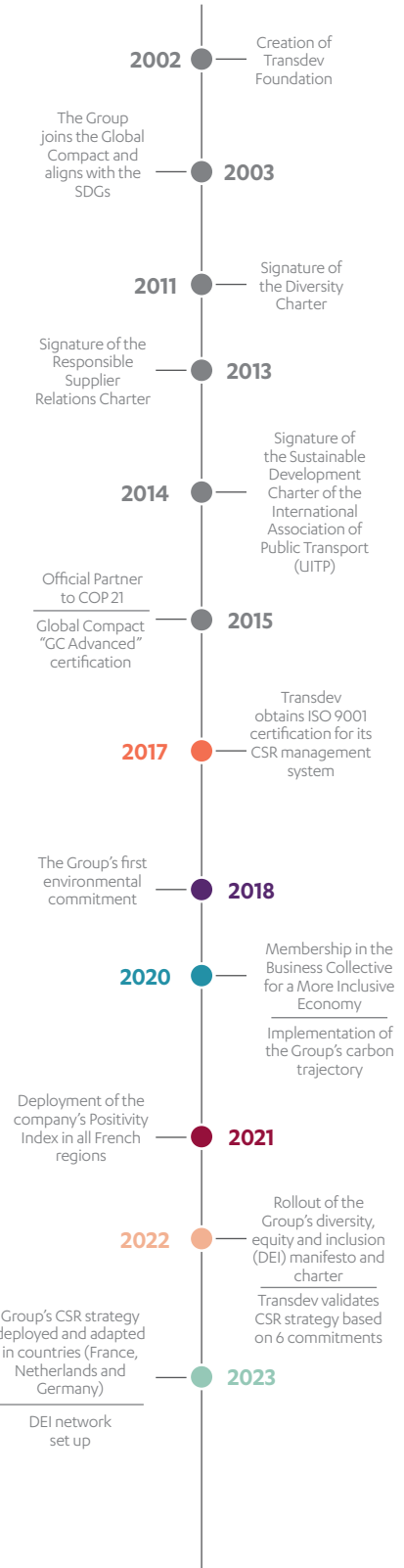


Connexxion Taxi Services: towards more sustainable transportation

In the Netherlands, Connexxion Taxi Services, a Transdev Group subsidiary, took a new step towards more sustainable transportation. No fewer than 168 electric vehicles have been purchased for this purpose. The vehicles are on the road servicing the recently acquired concessions in Breda, Etten-Leur, Zundert and Almelo.



II. Transdev, a committed player



Transdev Group's CSR approach

More than ever, Transdev's sustainable growth is tied to its social and environmental impact on the communities it serves and its success in positioning itself as an attractive and inclusive company. Corporate Social Responsibility (CSR) is at the heart of the Group's strategy, commitments and trajectory.

It drives performance, transformation, growth and commitment. Committing to a CSR approach requires transforming and innovating individually and collectively, with and for the benefit of all the company's stakeholders: employees, employee representatives, customers, passengers, suppliers, shareholders and financial partners.

Transdev's CSR issues

On the basis of a materiality analysis updated end 2021, the Transdev Group identifies the priority environmental, social and economic issues on which it will focus, builds its CSR strategy accordingly, and fosters dialogue with its stakeholders.

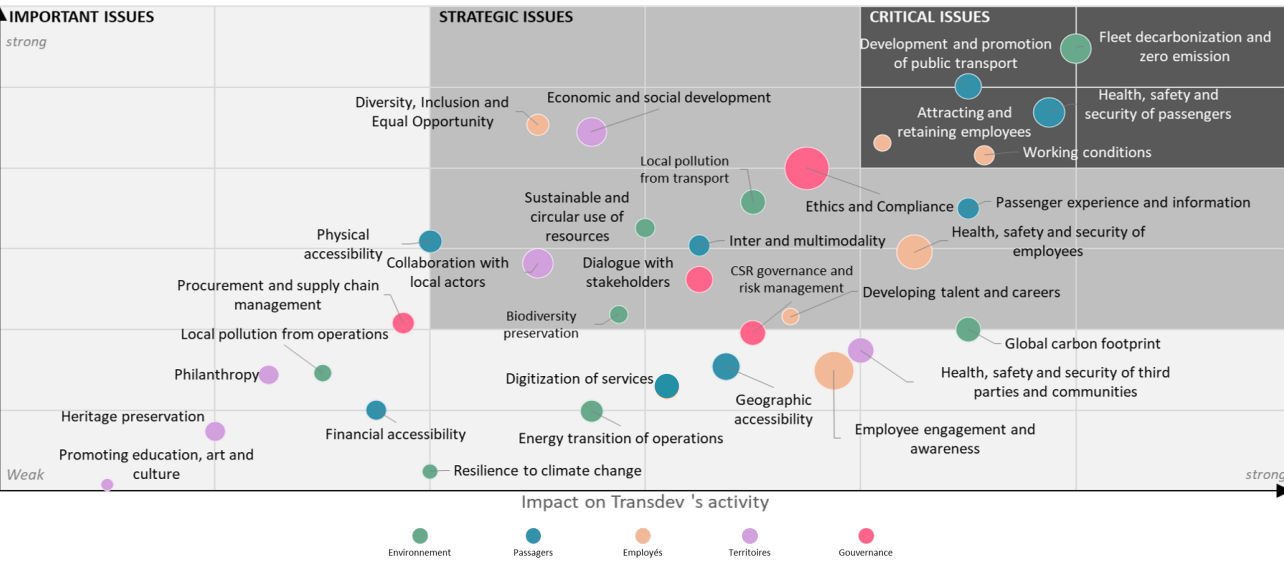
The results of this analysis highlight areas where stakeholder expectations are becoming more demanding:

- Environmental issues: more than ever, Transdev is expected to be an active player in the ecological and energy transition. In the communities it serves, the Group contributes to the ecological transition by decarbonizing its fleet, reducing pollution and using resources sustainably.
- Security and safety: the Group's top priority is and remains offering smooth and peaceful mobility by providing safe services.
- Expanding and promoting public transportation: public transportation is one of the answers to the social challenges facing our societies. Developing a multimodal and accessible offer contributes to meeting the challenges of inclusion and equality in all communities.
- Employment challenges: ensuring the appeal of jobs, recruitment and working conditions are issues that have acquired new prominence as a result of the Covid-19 health crisis. The driver shortage is a global issue. Ensuring good working conditions for employees in the context of the ongoing transformation of the mobility sector is a major challenge.

For the past five years, the materiality analysis has been supplemented by an analysis of non-financial risks, which nourishes the Group's CSR policy. By controlling material risks and developing opportunities, Transdev is able to structure its non-financial policies and objectives and steer its CSR strategy to meet the non-financial performance declaration (NFPD) requirements introduced by the transposition of European Directive 2014/95/EU. The method used to identify and prioritize these CSR risks is described in the methodological note (chapter "Monitoring our non-financial performance"). The Group's most significant non-financial risks did not change in 2023 and are covered by the policies the Group implements.

In 2023, materiality analyses were also performed at country level in order to supplement the Group's trajectory and define complementary CSR commitments adapted to local specificities. For example, in the Netherlands the deployment of the Group's CSR trajectory is enhanced by the topics of circular economy and customer experience. In France, the preservation of biodiversity is identified as a priority issue, while in Germany, the topics of adaptation to climate change and sustainable procurement are included in addition to the Group strategy.

Transdev's materiality matrix



32 CSR issues were identified by the community of CSR representatives from all Group countries and then validated by an expert partner. In 2021, these issues were prioritized based on in-depth qualitative analysis conducted with stakeholders in eight Group countries (France, USA, Germany, Netherlands, Sweden, Australia, Canada and Ireland). The impact of these issues on the business model was established in conjunction with the Group Executive Committee.

To prepare for the forthcoming application of the European Corporate Sustainability Reporting Directive (CSRD), Transdev has launched various projects to meet these new non financial reporting requirements. For this purpose, several studies have already been carried out, such as the gap analysis. This analysis, which was performed by an external third party, is based on the requirements of the CSRD. An initial double materiality analysis that Transdev carried out in 2021 served as the basis for identifying the sub-themes examined. At the conclusion of this initial analysis, the Group will update its methodology in line with the requirements of future European Sustainability Reporting Standards (ESRS).

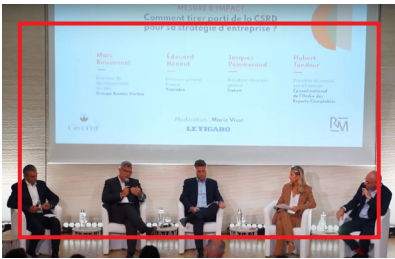
Transdev Group CSR roadmap

In 2022, Transdev validated its CSR trajectory, in line with the United Nations' Sustainable Development Goals (SDGs) and the expectations of all its stakeholders. This *roadmap* sets ambitions for the Group based on priority commitments: global carbon footprint; safety and security; attracting, hiring and retaining talent; diversity, equity and inclusion; economic and social development of communities; ethics and compliance.

The Group's CSR ambitions are:

- to be recognized as a top employer and inclusive leader by 2025;
- to be a leader in the areas of safety and security and a major player in the inclusive economic and social development of communities by 2035;
- to contribute to carbon neutrality by 2050 in accordance with the Paris climate agreements;
- to make its ethics and compliance approach both an essential requisite and a catalyst for performance.

6 roadshows to present the Group's CSR strategy held in various countries since 2022, including three in 2023



In 2023, Transdev was an official partner of the fifth edition of the Giverny Forum, an annual CSR event in France. At this forum, Edouard Hénaut, CEO of Transdev France, took part in the "Measuring Impact: How to Leverage the Corporate Sustainability Reporting Directive (CSRD) for your Corporate Strategy" working group, whose proposals were presented at a round table during the event.

Transdev Group’s CSR trajectory and objectives

The CSR trajectory embodies the Group’s corporate purpose: it is the force driving its long-term performance, transformation and growth, with and for all its stakeholders. The CSR trajectory is cross-functional and holistic: it represents Transdev’s collective commitment, wherever the Group operates.





In connection with its CSR strategy, Transdev has set itself three quantitative objectives by 2030		
30% reduction in greenhouse gas emissions/100 km	+50% alternative fleet	34% women in Top Executive positions

To meet these objectives, the Group continues to deploy dedicated policies, programs and initiatives. These objectives are defended and implemented at the local level. All of the Group’s policies, achievements and progress in 2023 relating to the gender diversity objective are detailed in chapter “Transdev, a responsible employer”. Policies, achievements and progress in 2023 relating to the two environmental objectives are detailed in the chapter “Transdev, a sustainable mobility player.”

CSR PILLARS	2022	2023	2025	2030
GLOBAL CARBON FOOTPRINT	VISION SCOPE 3 Design and deployment of the methodology for calculating the Group’s global carbon footprint		New commitments defined across the entire value chain	Oversight of global carbon footprint
SAFETY AND SECURITY OF ALL	Strengthening the Group’s safety and security policies	Strengthening leadership and behavioral practices	Alignment of SMSs with international standards (e.g., ISO 45001, EFQM)	Coordination of a proactive safety and security culture
ATTRACTING, ENGAGING AND RETAINING TALENT	Structuring of HR programs	Deployment of programs to enhance the appeal of our company and retain employees	Oversight of HR performance	Continuous improvement in employee engagement
DIVERSITY, EQUITY & INCLUSION	Launch of the Group’s diversity, equity and inclusion manifesto and charter	Deployment of the Group’s diversity, equity and inclusion roadmap	Setting new diversity goals	Labeling of commitments and practices in terms of diversity, equity and inclusion
ECONOMIC AND SOCIAL DEVELOPMENT OF COMMUNITIES	Structuring the Group’s social value offer and implementing the action plan		Deployment of the social value offer in all Group countries	
ETHICS AND COMPLIANCE	Updating the code of ethics and compliance	Updating our ethics and compliance management system (ECMS)	Making ethics and compliance a performance catalyst	

Evaluation of the process

The commitment pillars and trajectories are monitored at the highest level, with a dedicated sponsor who is a member of the Executive Committee. Once a year, the sponsors meet to review the progress of the trajectories. Driven by a constant concern for progress and transparency, Transdev is also committed to evaluating and obtaining certification of its processes. Since 2023, the sponsors of the CSR trajectory have met at least once a year to review and validate progress made. The countries in which the Group does business are also implementing assessment and certification procedures.

In 2022, following an audit of its Integrated Management System (IMS), Transdev Rabat-Salé-Salé obtained four certifications			
Safety (ISO 45001)	Quality (ISO 9001)	Environment (ISO 14001)	Energy (ISO 50001)
			
In addition, the ISO 26001 certification of Transdev Rabat-Salé-Salé’s responsibility process is at an “Advanced” status.			

In 2023 in the Netherlands, Transdev reached level 3 of the CSR Performance Ladder process, a Dutch CSR management and certification system. Inspired by international standards (ISO 26000, ISO 9001:2015, AA1000, GRI), this assessment focuses on 31 aspects and on the implementation of a stakeholder consultation system.

Transdev Netherlands was also awarded CO2 Performance Ladder level 5 certification by SGS, expert in inspection, auditing and certification, thus confirming that Transdev meets CO₂ emission reduction requirements in its sector.

CSR governance and implementation

CSR is an integral part of the Transdev Group’s strategic and decision-making processes. At the Executive Committee level, CSR is implemented by the Human Resources and CSR Direction, and is formally supported by several circles of collaboration:

CSR Department

This department coordinates these various bodies and oversees the Group’s CSR roadmap.

Board of Directors

The Board of Directors has five committees, including the CSR Committee. It establishes the Group’s strategic policies, including CSR aspects.

CSR Committee

This committee was set up in 2022. On average, it meets three times per year to discuss non-financial issues and validate the NFPD.

Executive Committee

It examines the Group’s CSR strategy and the progress made in the area of non-financial performance.

CSR Strategy Committee

It is made up of three members of the Executive Committee and meets at least twice a year to discuss issues concerning the Group’s non-financial performance.

Main cross-functional CSR strategy control structures

Corporate CSR Committee

The finance, ethics, HR, purchasing, environment, health and safety, security, communications and business development functions are represented on this committee. It coordinates the non-financial process and is supported by the work of a network of officers in all Group subsidiaries.

International CSR community

Comprises the CSR officers in the countries where the Group does business. Its role is to establish the CSR roadmaps for each country and deploy policies and tools that enable achieving the Group’s CSR commitments and objectives.

In 2023, the Transdev Group decided to incorporate a CSR objective into the annual performance review of Group’s senior executives. The defined objective must be tied to one of the following three CSR pillars: global carbon footprint, health and safety, or diversity, equity and inclusion.

In spring 2023, Transdev Germany set up a Sustainability Board, its CSR governance body, consisting of 14 representatives from various departments of the subsidiary. Members are as diverse as possible in terms of age, gender and the German regions they come from. Their aim is to make recommendations for Transdev Germany’s future CSR strategy. In particular, the Board has adapted the Group’s CSR strategy and defined six strategic areas that meet the expectations of local stakeholders. The level of ambition for these six areas serves as the basis for Transdev Germany’s CSR objectives.

Transdev's Group CSR ambitions



III. Transdev, a responsible employer

Attracting, engaging and retaining talents

Transdev employs over 100,000 people in 19 countries. Transdev deploys resources and actions to provide widespread access to its jobs, attract the best talent, enable each employee to develop their potential, maintain high-quality social dialogue, and offer a safe working environment.

Attracting and retaining talent of all kinds is an essential challenge for the Group, as well as an important catalyst for performance, by enabling it to have the right resources in the right place to deliver the highest level of service.

Fostering a diversity of profiles, points of view and career paths within the Group’s teams is a performance driver, a tool for increasing the appeal of the company and a differentiating factor, which enables the Group to build diverse teams able to best serve the communities in which it does business. For the sector as a whole, the increasing the number of women in transportation jobs is a key challenge.

FIELD	CHALLENGES	RISKS
<div><div>3GOOD HEALTH AND WELL-BEING</div><div>5GENDER EQUALITY</div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>10REDUCED INEQUALITIES</div></div>	<ul style="list-style-type: none">• Working conditions• Diversity, inclusion and equal opportunities• Developing talent and careers• Attraction and retention of employee• Engagement and awareness raising of employees	<ul style="list-style-type: none">• Absenteeism and low employee commitment (including psychosocial risks)• Poor skills planning

Commitments

The Transdev Group’s HR strategy is based on three company fundamentals: CSR, diversity, equity and inclusion (DEI) issues, and social dialogue, with a particular focus on the following areas:

- improving Transdev’s appeal;
- ensuring recruitment performance;
- developing employees’ potential, supporting career development and mobility;
- strengthening the Group culture;
- improving the Group’s performance, in particular through the “Drivers@Transdev” program;
- promoting Quality of Life & Working Conditions (QLWC);
- deploying HR performance measurement and management tools.

At the highest level of the company, Transdev’s ambition is to be an inclusion leader. A dedicated diversity, equity and inclusion trajectory has been defined and is supported, deployed and adapted in every country where the Group operates.

Organization

The Group Human Resources and CSR Department (HRD & CSR) coordinates the network of country HR Departments; each country’s HR Department also reports to the country manager to whom it is attached. The Group HR Department is responsible for HR policies, processes and tools. It coordinates and participates in the professional development of the Group’s Top Executives. It coordinates the recruitment, annual review and mobility processes.

Management of senior executives (Top 500) is shared by the Group HR Department, which oversees major processes, and the country HR Departments, which provide individual supervision and day-to-day management.

With a view to continuous improvement, each year, the Group’s HR Department initiates a number of “People” projects, drawing on an internal network of over 90 contributors with a wide range of expertise representing numerous nationalities.

The country HR Departments are responsible for managing middle managers (mobility, career). The HR Departments of the local entities (in the countries) are responsible for

HR management of first-level managers, drivers, maintenance technicians and administrative staff.

In 2023, a network of DEI officers was set up. DEI officers are responsible for deploying Group programs and initiatives in their country, and for developing and monitoring local roadmaps. This community meets once a quarter, at the Group’s initiative, to facilitate collaboration between countries, share best practices identified, and decide on the implementation of joint projects.

Human resources management system

A human resources information system (SIRH), which does not include payroll functions, is shared worldwide by the various Group entities. It is used to manage professional development and training processes, as well as annual interviews and people reviews.

Policies, processes and programs

Appeal and recruitment

In 2022, in-depth work was undertaken in all countries to define the four pillars of the Group’s value offer as an employer. In 2023, this work served as the basis for adapting the Group’s employer brand in line with these four pillars. In connection with this project, the employer brand platform was updated. It includes communication tools to be deployed in all Group countries in order to promote career opportunities and stimulate local recruitment. France is the pilot country for the launch of the “What drives you?” employer brand campaign (in France: “Et vous, qu’est-ce qui vous fait avancer ?”). It will then be rolled out by early 2024 in all countries where the Group operates.



In parallel with the launch of this campaign, the HR and communications teams in each country are currently working on setting up recruitment campaigns and deploying communication kits for local teams.

69%
of Group employees
are drivers

In all countries where it operates, the Group is facing an employee shortage, particularly for driver positions, but also for other jobs, such as maintenance positions. The answer to this challenge lies in a combination of making jobs more appealing, improving working conditions, and launching integration and training initiatives to attract new employees from all backgrounds and retain the Group’s talent.



WeHire
@transdev

This training program develops the recruitment skills of operational managers, who are the first point of contact for job applicants in the field. This training provides them with a common approach, essential practical tools and key tips.

Since 2019, the “Drivers@Transdev” program has been the concrete expression of the Group’s goal to attract new drivers, by encouraging workers to discover this job, improving working conditions, and anticipating changes in the profession. Through this program, Transdev improves existing practices, develops new concepts and tools, and deploys best practices identified on a broad scale.

The “Drivers@Transdev” internal program comprises 16 experts from five different countries and focuses its efforts on detecting and disseminating innovative practices, as well as offering new tools, in particular to structure and enhance managerial practices. An action plan has been defined focusing on four priorities:

- strengthening the management hierarchy;
- developing digital tools for drivers;
- improving drivers’ employee experience;
- offering a schedule management system focused on drivers’ needs.

In this context of driver shortages, teams from the Group HR and Strategy Departments have been working on a forward-looking study to identify new avenues of action for the coming years. The conclusions of this study were presented to and validated by the Group’s Executive Committee in 2023. Its recommendations include increasing the number of women in the profession, continuing to support managers, and increasing the flexibility of work organization for the benefit of drivers.

The study also highlighted the need to get to know drivers better. This prompted a pilot sociological survey of drivers that was conducted in France in April 2023. Nearly 2,000 people completed the questionnaire. Distributing the questionnaire through a variety of channels enabled gathering information on respondents’ sense of belonging, job motivations and lifestyles. The results of this survey, which were shared with the HR France Management Committee, have given the Group more granular knowledge about its drivers, thus enabling it to tailor its communications to this group.

The manner in which individual schedules are handled is a source of dissatisfaction that diminishes the appeal of the job. Since 2022, the Group has been experimenting a scheduling tool that focuses on drivers’ needs and a better work-life balance. This tool, which was tested in the Netherlands on 200 drivers, enables drivers to participate in the creation of schedules by allowing them to express their wishes in advance. A satisfaction survey of drivers who had tested the tool found that 60% of drivers preferred not to return to the former system. New experiments will be carried out in 2024 in the Netherlands, Sweden and France.

Providing a pleasant working environment for drivers has been identified as a priority topic in Transdev Portugal’s 2023-2024 strategic plan. Several entities in Portugal have refurbished and improved areas used by drivers (break rooms, terminals), or are in the process of doing so, by changing the flooring, repainting or installing new furniture.

In France, since 2020, Académie by Transdev has promoted access to mobility jobs and worked to include greater numbers

of people with low employability. Each year, the Académie by Transdev offers training sessions for new drivers focused on communities and delivered locally, in the areas where needs are greatest. The course awards students a diploma or professional qualification entitling them to work as a public transportation driver and provides them with all tools needed to succeed in obtaining a job with the Group.

2,000

drivers have started training since 2020 thanks to Académie by Transdev

Integration and strengthening the Group culture

Integration is an essential step in a career path, and an important catalyst for spreading a common culture throughout the Group. Two programs that supplement the country integration programs are deployed at the Group level:

- “In’Pulse”: an integration seminar for new managers involved in international projects. It brings together a wide variety of professions and profiles from all countries in which Transdev operates, and seeks to improve participants’ knowledge of the strategic and operational issues the Group faces. The program also offers all participants the opportunity to exchange best practices and the specificities of each country, while broadening their network and their knowledge of the organization. In 2023, over 30 speakers shared their expertise with the 54 participants.
- “Transdev Discovery”: a digital program that was rolled out in 2023 to develop newly hired employees’ overall knowledge of the company and strengthen their sense of belonging to the Group. This program provides an overview of the Group’s activities, businesses, key figures and geographical locations, as well as career opportunities within the Group. This program is available for individual study on the me@transdev platform, or the training may be provided in group sessions, particularly for drivers.

In France, “Trans’Days” is the specific integration program for newly hired or recently promoted managers whether in support or operational functions. This program offers participants an opportunity to acquire in-depth knowledge of the Group and its activities, the Strategy 2025, and the we@transdev management model. It is also an excellent opportunity for participants to develop their in-house network.

150

participants for the three sessions of Trans’Days

Support for career paths

The processes implemented (annual interviews, career interviews, people reviews and succession plans) provide in-depth knowledge of employees, their performance and their career aspirations. They also enable Transdev to build and offer suitable and ambitious development paths, thus guaranteeing the company solid succession plans for all key positions in the Group.

In conjunction with the countries, the Group deploys and coordinates the processes dedicated to talent management for the Group’s 500 top managers and officers. The processes are designed by the Group and then the countries are responsible for implementing them locally. A network of Talent Officers deploys these processes in each country. Since 2023, this network of officers has been headed by the Group’s Talent department. An in-person meeting was held to meet, discuss policy and process developments, and share best practices. The goal is to deploy these processes to all management level employees of the Group.

A dedicated platform, me@transdev, groups key information about each employee’s career path (annual reviews and career interviews, training and development proposals, internal mobility). In addition, this platform provides access to a comprehensive training offering: core business training, training in diversity, equity and inclusion, environmental issues, safety, ethics and compliance. The use of this platform, which was initially intended for executives, was extended to supervisors in France in 2023.

4,800

annual reviews registered on me@transdev in 2023

Professional development and training

The Group deploys a “Learning” approach that ties into talent management. The aim is to develop individual skills, encourage continuous learning, and share best practices among teams around the world. Development plans are designed in each Group country according to its specific needs.

The objective is to enable 80% employees to receive at least one training course per year. In 2023, 97.9 % of Group employees received training.

A variety of programs has been developed at Group level:

- “Trans’Lead TOPEX”: starting in 2022, this professional development program, offered in partnership with the Executive Education department of the HEC Paris Business School, is designed for Top Executives. It is structured around four key aspects: Strategy, Customers, Leadership and Group Culture;
- “Trans’Lead Top Managers”: an international program for top managers identified during People Reviews that develops their leadership skills and knowledge of the Group;
- “Trans’Lead Frontline Manager”: a training program developed to reinforce the core skills required by all frontline managers to perform their duties.

In addition, the “Moving Digital” platform, which is accessible to all Group employees, offers each staff member the resources necessary to adopt the use of collaborative tools, boost collective performance, and reinforce and stimulate innovation. In 2023, four e-books on mastering the use of digital tools were published on the platform.

we@Transdev is the management model deployed within the Group. It is a development catalyst for managers and their teams that is structured on the basis of three priorities: performance, innovation and collaboration, which are broken down into ten key managerial skills that are manifested in the actions of Group managers and their teams. The goal is to create a common culture with shared definitions for each skill. Each manager is encouraged to learn, understand and assimilate the skills the model provides in order to work with their team, for example on their strategy, roadmap, action plan and collaboration methods.

30 %

of Group operations managers have been trained in 2023

First-Line Management: an adapted course providing certification

In France, eight employees in the Nouvelle Aquitaine-Occitanie region completed the First-Line Management course in 2023. This 21.5-day training course enables participants to position themselves in their role as a first-line manager, taking into account the context and challenges of their company. It provides them with the key tools for informing, communicating, proposing and deciding on a day-to-day basis. On completing the course, participants receive a certificate of professional knowledge and skills.



4th edition of Trans’Lead Top Managers

For this 4th edition of Trans’Lead Top Managers, 18 participants from nine countries met in Germany and France to discover the different mobility ecosystems in which the Group operates and to deepen their understanding of the challenges facing the sector.

Internal and international mobility

Mobility is an integral part of the Group’s corporate culture and a fundamental pillar of its HR policy. In 2023, the Group worked on mobility guidelines that will be shared with all countries to encourage the transfer of know-how and develop employees’ potential.

To meet the skills needs of our operations and the demands of clients and to take into account employees’ career aspirations, the Group deploys policies and systems with an international outlook. This approach, which is aimed at all employees who have the desire, ambition or possibility of pursuing an international career, is based on three focuses:

- managing employees’ international mobility;
- building a pool of young talent with an international dimension;
- enabling expertise to be mobilized where and when it is required.

The e-Team system identifies and mobilizes internal expertise in 27 fields. Using this system, employees can position themselves, present their expertise and communicate their willingness to take part in specific projects. Approved by the field’s reference person, join the Group’s community of international experts, who are mobilized to promote the mobility solutions offered by Transdev and provide these solutions to our customers. In 2023, 95 experts from over 13 countries carried out nearly 220 assistance missions within the Group.

Since 2018, the Transdev Group has supported its young talent through the International Corporate Volunteer (*Volontariat International en Entreprise* - VIE) program managed by *Business France*. A dedicated system has been developed: “VIE@Transdev.” It monitors, guides, supports and develops employees throughout their VIE internship and, when then their assignment has been completed, integrates them into a Transdev network. Transdev’s ambition is to train these young talents and help them develop within the Group, whether in the country where they work or abroad.

In 2023, the number of employees on VIE internships tripled. A number of young talents were hosted by all subsidiaries, in all business lines: Operations and Maintenance Engineering, Zero-Emission Engineering, Finance & Purchasing, Communications and Marketing, Business Development, Human Resources, CSR and Quality, IT, Strategy.

Support for physical and mental well-being

For several years, Transdev France has offered support to its employees through its social support platform. At this time, under an agreement with Stimulus France, a specialist in social assistance and psychological support, Transdev employees can receive support and concrete solutions for difficulties due to family, housing, health, work, budget and other issues.

In July 2022, a psychological support line was added to the system, providing direct access to a psychologist. Both systems are accessible 24/7, anonymously and confidentially, via a single toll-free number, or a videoconference appointment scheduling platform.

The Transdev Solidarité association was created in March 2023 to strengthen this system. Working directly with Stimulus, and administered jointly with several representative labor unions, the association advocates in favor of providing support, encouragement and assistance to people experiencing social emergencies, and also carries out longer-term essential actions with the help of a social worker or by funding associations that pursue the same objectives.

In addition, Transdev has set up a social fund that reinforces the social actions of insurers. This social fund provides additional financial support to members of Transdev’s complementary health insurance program (employees and their dependents) who are experiencing financial difficulties due to health issues.

In connection with its policy to promote and develop physical and sporting activities,



To improve the living conditions of its employees in need, Transdev France has set up Transdev Solidarité.

This system provides support, assistance or relief tailored to the individual situations experienced by employees.

Transdev offers its employees group classes in yoga, boxing and circuit training, in partnership with the TrainMe sports coaching platform. Classes are held every week at the Group’s head office and are facilitated by a coach. Online courses are also available to all members. Since the program was launched in October 2023, nearly 30 courses have been organized.

Social dialogue

In addition to its role as the forum for negotiating collective bargaining agreements, social dialogue is also a tool that promotes competitiveness because it permits difficulties to be brought to light and appropriate solutions to be found. The health crisis, followed by the economic crisis, has further confirmed the essential nature of social dialogue in the Group’s HR strategy. Social dialogue is a key driver of collective resilience and has been crucial to explain and carry out the necessary adjustments, in order to continue to serve the customers and passengers under the best possible conditions, and to offer teams a framework that most closely corresponds to the aspirations of each.

At Transdev, it is based on four pillars			
A social dialogue:			
at every level of the company	based on transparency and compliance with rules	based on confidence and mutual respect	based on compliance with commitments made

Since 2020, the Transdev Group has been a member of the Global Deal platform, a worldwide partnership between governments, businesses, labor unions and other organizations that promotes social dialogue as an avenue for developing decent working conditions and inclusive growth. In this connection, the Group regularly participates in a number of initiatives to exchange ideas and thoughts and to discuss these issues.

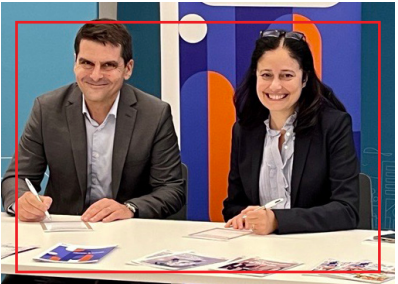
Management, the labor unions, Human Resources and employees, who comprise the key social dialogue players, interact via a structured dialogue at various levels of the Group.

Since 2012, a European Works Council has been set up. About three times a year, this European Council brings together the employee representatives of the German, Spanish, Portuguese, Dutch, British and French subsidiaries to discuss all transnational issues concerning the Group’s activities. It is consulted on transnational issues that impact the Group (employment, significant changes in the Group’s organization, transfers of production, investments made for the Group as a whole) and, once a year, on the Group’s strategic policies, long-term plans drawn up, and the follow-up thereto. Each year, the members of the Council receive proper training on specific subjects.

In November 2023, a full-day seminar on the digitization of operations in the Group’s companies was organized with union representatives and held for Transdev’s European Works Council. It provided an opportunity to present the digitization strategy of the Group and of its subsidiaries, and to discuss the various digital tools deployed in the subsidiaries and the support processes in place. Also in 2023, the CSR initiatives of the Group and Transdev France were presented to the European authorities.

In France, each subsidiary has local representative institutions: the social and economic committees. These committees, which are key components of the Group’s social dialogue, are forums for sharing information and consulting closely with the field and on local issues.

A French Group Works Council was set up to represent the employees of the Group’s French subsidiaries. It meets about three times a year and is composed of 22 employee representatives appointed by the labor unions that are representative



Transdev Group signs the “Cancer and Employment” Charter

To improve working conditions and provide support to employees affected directly or indirectly by cancer, Caroline Gonin, Transdev Group HR and CSR Director, signed the Cancer and Employment Charter in September 2023, with Thierry Breton, Managing Director of the French National Cancer Institute, in attendance. The charter encompasses 11 commitments, which seek to advance key goals such as acting on the perception of illness in the workplace, supporting employees in returning to work and keeping their jobs, and promoting health in general.

at Group level, and who are chosen from among their elected representatives to the bodies of the relevant subsidiaries. In particular, this French Group Works Council is informed of the development of activities, investment projects, employment trends, the Group’s economic, financial and employment situation and the consolidated financial statements of Transdev and its subsidiaries. It is also systematically consulted on the Group’s strategic policies, as well as on any transaction that may impact the economic and employment situation or the organization of the Transdev Group.

Since 2021, a National Healthcare Costs Committee allows to manage the healthcare costs reimbursement plans of the Group’s subsidiaries in France.

The Group agreement on “exercising labor union rights and social dialogue within the Transdev Group”, which was concluded in 2015 and amended in February 2019, was re-signed in February 2023. Its aim is to perpetuate constructive employment relations and organize the smooth exercise of labor union rights within the Group, and designates national labor union delegates and national coordinating labor union delegates. They have been provided with human and financial resources.

Finally, in addition to these resources, the Group agreement of February 2019 supplemented the social dialogue organization by setting up a National Social Dialogue Oversight Committee, comprising the France HR manager and national trade union delegates and meeting twice a year to plan the schedule of social negotiations at the Group level and to oversee them in conjunction with the representative labor unions. This agreement also harmonized the framework for setting up Social and Economic Committees in the subsidiaries, while allowing the local entities room for negotiation, thereby permitting adjustments to local contexts.

In response to the various crises, the Group’s central bodies have increased the number of meetings they hold, generally in hybrid form with a combination of physical presence and remote participation: three French Group Works Council meetings, three European Works Council meetings, two National Health, Safety and Working Conditions Committee meetings and three National Healthcare Costs Committee meetings were held in 2023 to maintain ongoing social dialogue and prevent labor conflicts.

In March 2023, Transdev Rabat-Salé signed a collective bargaining agreement. It sets out the operating procedures for employee representative bodies and the rules and processes for managing industrial relations and social dialogue; the framework governing the compensation policy, social benefits coverage, skills development and social promotion; and the mutual commitments of the company, the social partners and all employees (respect for fundamental rights and internal rules on safety, work organization, occupational risk prevention and achieving the company’s economic performance objectives).

In April 2023, Transdev Netherlands signed an agreement to negotiate a new collective labor agreement with the Dutch trade unions. The agreement provides a 15% pay increase over 27 months and an allowance, and sets up measures to reduce workloads.

In June 2023, a collective bargaining agreement on mobility within Transdev France was signed. This agreement is based on a system that provides common support for individual and voluntary mobility, thus facilitating job changes within the same region or in different regions.

Promote Diversity, Equity and Inclusion (DEI)

The Diversity, Equity and Inclusion roadmap is a Transdev Group priority and is coordinated by the Executive Committee. It establishes the global trajectory set by the Group. In the subsidiaries, a roadmap aligned with local issues and the local culture is defined.

The Group’s DEI roadmap

Through the projects, programs and processes deployed, the Group ensures that every employee has an equal opportunity to succeed, regardless of their age, background, ethnicity, education, gender, disability, sexual orientation, religion/belief, marital status, union, organization or minority group, thus enabling them to develop their skills and serve its customers each day.

In 2022, Transdev published two documents setting out its commitments in this area: a diversity, equity and inclusion manifesto and charter, which formally describe the Group’s ambitions and the means deployed:

- consistently meeting or exceeding legal and regulatory diversity and inclusion obligations in all regions where it does business;
- working collaboratively, conducting business and fulfilling obligations to the community and stakeholders without discrimination, bias or undue advantage for any group or individual over another;
- measuring and evaluating progress in terms of diversity and inclusion, both internally and against appropriate external benchmarks, and developing solutions to accelerate progress until the diversity goals are met and the diversity culture becomes a reality;
- accelerating change with respect to gender balance and progress towards gender parity at all levels of the organization;
- evaluating and rewarding the performance, potential and talent of employees according to their individual abilities and their contribution to the business, regardless of their origin or individual differences;
- monitoring and reviewing the application of HR policies and processes to ensure they are implemented without bias or discrimination;
- educating and training teams on diversity, equity and inclusion.

In the subsidiaries, a roadmap aligned with local issues and the local culture is defined.

In Australia-New Zealand, a roadmap was rolled out that focuses on six priorities: sexual orientation, gender, age,

accessibility, multiculturality and reconciliation with Aboriginal populations. In 2023, Transdev Australasia initiated a “Dignity Audit.” The objective of this audit is to identify opportunities and areas for improvement within Transdev Australasia, while continuing efforts to promote diversity, equity and inclusion for the long-term benefit of all employees.

In the United States, a roadmap has been defined on the basis of three strategic pillars: building an inclusive culture, promoting DEI, and recruiting diverse teams. In 2023, these efforts led to the addition of a diversity criterion in recruitment panels, the creation of a specific communication plan, the organization of a “Diversity Day”, and the definition of minimum requirements and dedicated reporting systems.

DEI issues and, in particular, the priority program to accelerate progress in gender diversity, are reviewed, in turn, by the Executive Committee, the Board of Directors’ CSR Committee and the Group Board of Directors. In the Group’s main countries, the Group HR & CSR Officer and the Country HR Director meet twice a year to review local progress in gender diversity and the associated action plans.

In the United States, the Diversity & Inclusion Council has been rolled out, comprising 17 members who represent the range of employee diversity. It advocates, coordinates, studies and monitors strategic actions that promote diversity and inclusion. In Transdev Australasia, Diversity and Inclusion councils are systematically set up in each business unit, comprising a variety of profiles.

Supporting female talent

Transdev has set up a priority program to accelerate progress in gender diversity and set itself the **target of having 34% women among Top Executives by 2030**.

Catalyst tools of the DEI priority program			
recruitment: developing the conditions for forming diverse teams	employee development: ensuring equal access to training and strengthening team development	communication: celebrating diversity, raising awareness and developing partnerships	deploying performance measurement and management tools, in conjunction with the HR teams and the Group’s countries

The ExCom women’s mentoring program reflects the Group’s commitment to developing diversity, equal opportunities and inclusion at all levels of the company, as a driver of performance and innovation, but also to boost the Group’s appeal as an employer. Each participant in this program is assigned a mentor, who is a member of the Transdev Group’s Executive Committee. Together, they set development goals for the mentee and have discussions once a month. The goal is to promote each person’s development, both the mentor and the mentee, by capitalizing on the sharing of experiences. Participants also benefit from a training program to help them develop their leadership skills. **In 2023, the program was rolled out for the second consecutive year, with a group of nine female employees.**

The Group’s ambition is also to develop mentoring for women in other countries, as it is already the case in France, the United States and Portugal.

In France, the “Leader au Féminin” program is the local version of the ExCom women’s mentoring program. This program aims to develop a pool of female talent, who will occupy key operational positions in the future, and targets both external and internal talent. The program’s structure consists of major stages to ensure successful integration: a period of immersion in different networks (urban, interurban) to discover the diversity of businesses and the various aspects of network management, meetings with head office employees, completing a training program called “Company Management Pathway” that includes a number of modules (management, steering



Transamo’s commitment to gender diversity

In 2023, Transamo, a Transdev subsidiary, signed the Gender Diversity Charter drafted by Syntec-Ingénierie. By doing so, Transamo has undertaken to foster the role of women in engineering and to take steps to improve the image of engineering among young people, particularly girls; to ensure equal treatment of women and men throughout their careers; to encourage a healthy work-life balance for all employees; and to promote access to management positions for women by developing upward mobility.



Women’s careers in the spotlight

To mark the International Women’s Rights Day on March 8, 2023, Transdev rolled out its “Embrace Equity” communication campaign. This campaign showcased the diversity of women’s careers within the Group through a variety of outlets: a dedicated web page, publications on social networks, and joint interviews in “video postcard” format.

social dialogue, budget management), the opportunity to obtain a transportation qualification, and a mentoring program. The program also includes regular meetings with participants’ HR advisors. In 2023, four women participated in the “Leader au Féminin” program.

Awareness raising and training of employees

The Group aims to create a work culture where individual differences are understood, anticipated, valued and capitalized on. This requires training, awareness-raising and sharing good practices internally.

A Diversity, Equity and Inclusion module is available on the Group’s digital learning platform. It presents Transdev’s strategy and goals, examples of how they are applied, and current initiatives in the various countries or in other companies. This module also provides advice on concrete actions that can be implemented at an individual and managerial level.

Since 2023, a dedicated DEI module has also been included in the Group induction program (distance learning individual module), in development programs such as “Trans’Lead”, “On the Launch Pad” and “In’Pulse” (distance learning module and/or in-person workshops) and in the “Trans’Lead Frontline Manager” training program.

Internal communication tools have been developed, such as a dedicated web radio station. Employees are also encouraged to share best practices on the Viva Engage corporate network, on which a community dedicated to diversity, equity and inclusion has been created.

Inclusion of the most vulnerable

This year, in connection with the implementation of the approved disability agreement, work was carried out by the Group’s Disability Mission, with local HR departments, employee representatives and the labor law department. The approved disability agreement is intended to continue and expand the work begun the Agefiph agreement, under which Transdev carried out the following actions in 2022 and 2023:

- awareness-raising initiatives aimed at the entire workforce;
- three people with disabilities hired at the Group’s head office;
- support provided to employees in having their disabilities recognized and workstations adapted to ensure they can keep their jobs in the long term;
- assistance provided to the purchasing department’s efforts to increase purchases from the disability sector.

Key performance indicators

KPIs	2022	2023
Absenteeism rate	8.1 %	6.8 %
Employee turnover rate	24.0 %	23.0 %
Percentage of employees	83.9 %	97.9 %
Percentage of employees who have had an annual interview (Group Top Executive and Top managers)	82.9 %	91.3 %
Percentage of women among Top Executives	26 %	23.3 %

In 2023, all the initiatives deployed by the Group teams proved their worth, with a four out of five improvement in HR indicators. Since 2022, all the Group’s countries have been committed to improving the retention and engagement of Transdev employees in a holistic approach touching on the key elements of the “Employee Experience”.

The launch of a global employer branding campaign in 2023 helped recruitment departments attract the best candidates, who were also able to benefit from a more comprehensive and robust integration path thanks to the “Welcome@Transdev” program.

In 2023, the Group’s talent management processes became an integral part of managerial rituals, with new career opportunities including international mobility. Group managers (especially first-line managers) took part in new training programs dedicated to the key skills of their role and Group culture, and the Drivers@Transdev program supported efforts in the field to offer differentiating working conditions, particularly in terms of flexible working.

In 2023, turnover fell by 1 point, a trend reversal driven by the performance of six Group countries, including the United States and Canada, which benefited from the performance of the First Transit teams integrated this year.

In terms of absenteeism, the measured improvement of 1.3 points reflects the positive impact of the actions undertaken in the Group’s seven main countries, despite deteriorated performance in those countries penalized by social movements in Europe and North America in 2023.

The annual appraisal and training processes are mature and widely deployed, and performance continues to improve thanks to the collective efforts of corporate and country functions.

The overall improvement in the Group’s ability to retain its employees will remain at the heart of our HR strategy and projects. In 2023, Transdev reinforced its actions to promote gender diversity; despite this, the proportion of women in the Top Executives management circle is declining. The structural imbalance in the distribution of men and women in the public transport sector, particularly in operational functions, has had a negative impact on the rate, with the integration of the First Transit teams as well as the integration of operational positions in Germany, which are predominantly occupied by men.



Last May, Transdev and ADN Kids signed a partnership agreement to work together to combat bullying at school. Tadao is proud to be the Group’s first network to join forces with this association to carry out concrete actions.

In early September, Tadao organized an awareness day focusing on the partnership with ADN KIDS. The program for the 80 attendees included:

- A complete presentation of the approach;
- A training session facilitated by the association for prospective Tadao contacts and to any employee wishing to volunteer with ADN Kids.

Tadao also took advantage of the start of the school year to work on two information documents with ADN Kids:

- one for schools and charities to publicize the program;
- the other for young people and their families, containing useful information and contacts.

Next steps: Mastery of the ADN Kids method by trained staff and implementation in schools on request.

Key figures

102,027
employees

29,426
recruitments

26 %
of women in the workforce

220 assistance missions
carried out by
95 e.team experts

Achievements

Transdev Île-de-France's "Destination 500 Jobs" campaign

Transdev Île-de-France needs to recruit nearly 500 drivers. To meet this challenge, the "Destination 500 Jobs" campaign, which was launched in 2022, has activated a variety of means of action. Partnerships with key players in the employment field (temporary employment firms, associations, the French unemployment agency) have been developed, along with a dedicated training plan to recruit and train new drivers. A widely deployed communication campaign has significantly increased the number of applications. Throughout the year, the "Job Bus" visited communities in the region. The visits of this innovative vehicle, which is equipped with a driving simulator, provides job seekers with the opportunity to meet a team of professionals and to discuss jobs with the people who actually hold them.



Transdev Australasia recognized as a "5-Star Employer of Choice"



In 2023, Transdev Australasia won HRD Magazine's "5-Star Employer of Choice" award. Each year, this award recognizes cutting-edge organizations and best practices in human resources management. This recognition is a testimony to Transdev Australasia's commitment to creating the highest level of working conditions for its employees.

CareProjects: a new collaborative platform

The CareProjects platform, which has been accessible since 2023, seeks to optimize the dissemination of information on Quality of Life and Working Conditions (QLWC) issues, as well as to promote Diversity, Equity and Inclusion (DEI). The platform, whose main target is the management hierarchy, as well as the HR, CSR and QSE departments, aims to inspire teams by centralizing information on support systems. It includes general information on QHCT and DEI issues, a schedule of Transdev's actions in connection with national and/or global theme days, current events, and a database of best practices at Transdev, in France and throughout the Group.

A training program dedicated to people with low employability

In the Netherlands, a new pilot project was launched in partnership with Amsterdam's Employer Service Desk. It enables people with low employability to find jobs in the transportation sector. In 2023, nine beneficiaries of this project entered a bus driver training course. Throughout their training period and during the first few months of their employment contract, they will be mentored by a professional coach.



Transdev Rabat-Salé signs a partnership contract with Handicap International

In 2023, Transdev Rabat-Salé signed a partnership agreement with Handicap International to promote the recruitment and integration of people with disabilities. A variety of actions have been carried out under this partnership: an accessibility audit of Transdev Rabat-Salé's premises (buildings, sales offices, stations); a review of the positions within the company that could be filled by people with disabilities, carried out in conjunction with the Human Resources Director; and training sessions for ticket inspectors in best practices for accommodating passengers with disabilities. Future actions will include setting up volunteer programs outside working hours for employees who wish to participate.

Transdev France launches its first "Graduate Program"

In autumn 2023, Transdev France launched its "Graduate Program", which includes a degree course in partnership with ENTPE, a school that trains engineers and doctoral students in sustainable community development. Each year, a class of around twenty people, both beginners and people with experience, may apply for this program. Internally, it is aimed at employees who already have experience in operations and wish to have their experience recognized by a degree and, externally, it focuses on recent graduates who wish to enter the world of mobility and quickly acquire operational responsibilities. At the conclusion of this work-study program, participants are awarded the program's degree in "Passenger Transportation Operational Management" and the Transportation Certificate of Professional Competence by equivalence.

IV. Transdev, commits to safe mobility

Ensuring everyone’s safety

As a mobility operator, ensuring health and safety is an absolute imperative for Transdev, in all the countries where it operates and for all its activities. This responsibility is also the indispensable prerequisite for the satisfaction, well-being and confidence of employees, passengers, customers and communities.

Ensuring everyone’s health and safety, and providing a safe and healthy traveling and working environment, requires collective action each and every day. To prevent accidents and manage the risks associated with its activities, the Transdev Group deploys a global continuous improvement approach based on the dissemination of a safety culture at all levels of the company.

FIELD	CHALLENGES	RISKS
<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div> <div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div>	<ul style="list-style-type: none">• Health and safety of passengers• Health and safety of employees	<ul style="list-style-type: none">• Serious train accidents• Serious bus accidents• Workplace accidents

Commitments

The Transdev Group’s commitment to health and safety is based on a clear vision: striving for “zero harm”.

As a fundamental aspect of the Group’s shared culture, Transdev aims for operational excellence by focusing on the following four strategic priorities:

- developing and deploying the Transdev Group’s Health and Safety Policy;
- strengthening Transdev’s health and safety governance and compliance;
- improving health and safety performance;
- promoting a positive and proactive culture of safety and wellbeing.

This vision is implemented on the basis of an ISO 45001-compliant safety management system, a dedicated organization and community, and a shared objective: to improve the lost time injuries frequency rate each year.

A dedicated policy and organization

Transdev’s policy sets out its commitment and approach to managing health and safety issues, including the responsibilities of management and employees.

This policy is applied throughout the entire company through a system of continuous actions. Locally, the teams deploy

action plans in partnership with all players active in this area (customers, road authorities, rail authorities, occupational safety agencies).

The Group Safety Department establishes the policy, monitors its implementation, and promotes a positive and proactive safety culture in the various countries. It assists the countries to define action plans and improve performance.

Performance indicators are selected at Group level: lost time injuries frequency rate, lost time injuries severity rate and major accident rate. Each country also reports and tracks more detailed indicators, such as serious passengers or third parties injuries rate, road accidents rate, or the number of derailments. Each of these indicators is broken down by mode of transportation.

Every quarter, a consolidated safety and security report is produced, which provides an overview of each country’s performance and areas for improvement. Safety performance is reviewed with the management in each country, and action plans are put in place to remedy any gaps.

The Group Safety Department reports to the Group Executive Committee on a quarterly basis.

Since September 2023, the health and safety performance of the seven major countries for Transdev has also been presented to the Board of Directors.

Safety management system

The Transdev Group has designed its Safety Management System (SMS) based on its many years of experience as a transportation operator. It provides a structured management approach for identifying, monitoring and controlling health and safety risks. Operations must comply with the Group’s SMS requirements in the following areas: organization, leadership and commitment, planning (including hazard identification and risk assessment), communication and consultation, documentation and follow-up, measurement, analysis and assessment of safety performance.

This SMS is consistent and compatible with the ISO 45001 standard. Regular and rigorous internal and external audits are conducted in all entities to ensure it is effectively implemented.

Health and Safety community

To facilitate the sharing and dissemination of a common culture, ongoing exchanges with the countries to circulate and duplicate best practices are held through a community of dedicated officers. These officers contribute to the advancement of the Group’s trajectory toward its goals of being a leader in health and safety.

The Group’s Safety Department coordinates this community. It holds periodic meetings with the community to discuss performance, emerging risks, best practices adopted, and innovative solutions. The expertise of countries with an advanced safety culture can benefit all countries.

Each year, the Group Safety Department organizes a Health and Safety seminar for all country Safety Directors. It is an opportunity to take stock of performance and highlight a particular theme. In 2023, the seminar was devoted to the central role of managers in promoting and disseminating a culture of health and safety at work. The 28 participants, from 12 countries, attended presentations on Transdev’s health and safety ambitions and dedicated programs, collective reflection workshops, and exchanges of best practices.



2023 Safety Seminar

Actions deployed

Transdev’s ten safety principles

Transdev’s ten safety principles are the product of the collaborative work of the Health & Safety community, with the contribution of the local entities. These safety principles are non-negotiable at all levels of the company. The ten principles, which have been made available in a variety of formats (posters, flyers, cards and videos), guide the actions and decisions of employees and their managers.



Training and awareness-raising

Employees are regularly trained and made aware of health and safety issues. A notable example is the safe driving program, which offers techniques and technological solutions to assist drivers in adopting safer driving techniques, such as smooth acceleration, gentle braking and maintaining a safe distance between vehicles. These initiatives have directly contributed to reducing the number of accidents.

In the United States, Transdev has teamed up with Mobileye® to set up a camera sensor system that integrates real-time warnings and alerts. The camera sensor constantly monitors the road (pedestrians, cyclists, hazards, other vehicles). If a collision or danger is imminent, visual and audio alerts warn the driver. These alerts enable drivers to make the necessary corrections in a timely manner and avoid potential collisions or mitigate their severity. Starting in 2019, the latest Mobileye



Transdev Australasia makes a commitment to mental health in connection with “R U OK?” day

This year, Transdev Australasia once again took part in the national “R U OK?” action day, which strives to reduce the stigma surrounding conversations about mental health in the workplace and to provide help to people with mental health issues. Various events were organized in the country’s subsidiaries:

- Transdev John Holland held an awareness-raising day for its employees to promote positive mental health.
- In Sydney, Transdev teams traveled throughout the ferry network to engage discussion on the theme of well-being and mental health.

upgrade has been installed in the entire fleet of Transdev USA, consisting of around 1,700 buses of various sizes and types.

Each year, Transdev France rolls out a safety awareness campaign. In 2023, the focus was on traffic-related risks on sites and depots. For the duration of the campaign, from March 20 to April 28, each site held a series of fifteen-minute safety sessions and workshops on various themes. These workshops, which could be compulsory or optional, mobilized a great number of Transdev employees around the issues covered by this safety campaign, such as reversing into parking spaces, wearing high-visibility vests, and being aware of the dangers of blind spots and the risk of collisions with soft mobility users.

Mental health

Addressing psychosocial risks is a major component of Transdev’s commitment to protecting the health and safety of its employees. This issue has become even more important since the Covid-19 health crisis. The Group pays particular attention to the mental health of its employees.

Regular evaluations and employee feedback are invaluable tools for identifying necessary adjustments and responding to specific needs, such as providing ergonomic equipment, sharing best practices, or setting up mental support initiatives.

For the past several years, Transdev France has worked with *Stimulus Care Service*, a leader in the field of well-being and psychological health in the workplace. The firm assists companies by developing workplace mental health strategies, promoting healthy managerial practices, and offering employee services, such as online coaching by a network of experts and advisors. In addition, mental health awareness days are held on a regular basis, for example in Australia, New Zealand and France in 2023.

Key Performance Indicators

KPIs	2022	2023
Lost time injuries frequency rate	20.68	16.65
Lost time injuries severity rate	2.19	1.77
Major accident rate	0.03	0.03
Number of major accident	54	65

Transdev manages its safety performance by focusing on these three critical key performance indicators (see above). In 2023, Group’s operation has recovered from pre-pandemic levels. Our lost time injuries frequency and severity rate had reduced because there was a renewed focus on occupational and operational health and safety. Action plans are put in place to identify accident root causes and trends as well as taking corrective actions to reduce the likelihood of similar events reoccurring. Although our major accident rates are stable, the number of major accidents have increased since last year. Transdev ensures the learnings of major accidents are shared and drives accountability across the Group to reduce the likelihood of similar events reoccurring. Transdev will continue to be proactive in the management of the health and safety of our employees, passengers and communities.

Key figures

10
safety principles
defined

+5 000
managers have obtained Health
and Safety Certification

96.5 %
safety management system
compliance for audited
entities

48
meetings organized by the
Group Safety Department to
monitor the safety performance
of the countries

Achievements

“Hold the Bar” campaign on Barcelona’s trams



In Spain, on the Barcelona tram line, Transdev launched an awareness-raising campaign to encourage passengers to hold the handrail while standing. Throughout this campaign, from April to June 2023, visual panels were displayed and audio messages were broadcast inside all trams, at stops and ticket offices, as well as on social networks.

Safety culture: “Safety Corner” launched in the United-States



In the United States, a dedicated safety page has been added for Transdev employees to the website. It presents Transdev’s health and safety commitments and, every two months, highlights a particular theme. For example, in September and October 2023, the theme was “Expect the Unexpected”, a focus on pedestrian safety, particularly at the start of the school year period and the change of season, which create specific road hazards.

Compensation program for U.S. workers

Transdev United States enables its employees who have work restrictions following a work accident to return to work through a partnership with *Transitional Work Solutions*, which helps place employees with local non-profit organizations. This program offers employees the opportunity to return to productive work in a limited capacity immediately following an injury or illness, if they are unable to work full time due to restrictions placed on them by their physician. Although the primary objective of this program is to enable employees to regain their health and return to work, the additional benefits of an immediate return to work may include cost savings, increased productivity, reduced sick leave and overtime, improved morale, and a shorter recovery period.

Transdev Netherlands’ Vitaal Program

Transdev Netherlands has set up a health and well-being program called Vitaal Transdev. This program is designed to make the company’s organization more resilient and to provide a safe and secure working environment for employees. The program offers a calendar of activities on a variety of topics (exercise, mental health, healthy eating, sleep, quitting smoking, relaxation, finances) that is shared with all team leaders. Videos, tips and training are also offered to help employees on these matters.



Safety culture in Sweden



Transdev Sweden has started a conversation about defining and improving its safety culture. The driving force behind this program is the principle of Transdev as a values-based company that has clearly explained the requirements for a robust safety culture and how it helps employees in their everyday lives. The focuses of the program are leadership, a culture of fairness, a commitment to safety, communication, and secure working systems. A robust safety culture is also an essential prerequisite for obtaining a public transportation operating license. For rail operations, this requirement is imposed by European law.

Ensuring everyone’s security

Ensuring everyone’s security and providing a secure environment is a key concern for all stakeholders and a daily priority for Transdev.

Security has a direct impact on passenger numbers, the quality of working conditions, and customer satisfaction. The Transdev Group has put in place a full range of human, technical and organizational measures designed to protect the physical and psychological integrity of passengers and employees.

FIELD	CHALLENGES	RISKS
<div><div>3GOOD HEALTH AND WELL-BEING</div><div>8DECENT WORK AND ECONOMIC GROWTH</div></div>	<ul style="list-style-type: none">• Security of passengers• Security of employees	<ul style="list-style-type: none">• Terrorist attacks• Assaults on passengers• Assaults on employees

Security Policy

Identifying security risks, assessing their significance, and implementing a suitable response is a complex endeavor that must take into account an array of contextual factors and requires a global and operational approach. In all countries where the Group operates, dedicated policies and concrete measures, such as mobilizing teams, installing innovative equipment and setting up partnerships, all play an active part in making transportation safe for everyone. The Transdev Group’s security policy sets out its global approach to ensuring the security of the people and property. It focuses on four priorities:

- local security management in close cooperation with local institutions and authorities;
- passenger awareness to increase prevention of the main security risks;
- the compliance of security actions, methods and tools with the Group’s ethical principles and national laws;
- sharing best practices between countries through the security community.

Security management system

Transdev has a security management system (SMSu) common to all Group entities. This enables it to optimize and standardize management of all security risk particularities, as well as to rigorously assess the performance of the protection and action systems implemented locally.

The Group works continuously to improve it. One of the components of the Group’s CSR strategy for 2030 is to develop the security management system by working with the countries to adopt common standards that are harmonized across the Group and in line with international requirements.

Security reporting is accessible in a common data analysis and graphing tool (Power BI). Since December 2021, the contributing officers of each country submit monthly reports

at the entity level. This increases the reliability and quality of data and facilitates comparison between countries.

In 2023, the focus was on ensuring that comprehensive data on physical assaults on passengers was collected, and on increasing the coverage of this indicator in all countries. A continuous improvement approach will be applied to this process in the coming years.

Security community

In accordance with the Group’s security policy (updated in 2023), a security officer has been appointed in each country where Transdev operates. The Group’s Security Department leads and coordinates the community of country security managers by holding regular discussions to share best practices and actions plans worldwide.

In France, an annual two-day seminar is held for security officers. In 2023, around 40 people attended the event and shared experiences, best practices and regulatory developments. In addition, in-house and outside experts were invited to speak on key issues, such as social mediation in public transportation and the importance of high-quality security data.



Actions deployed

Training and awareness-raising

Staff awareness and training is an essential prerequisite for proper operational management of security.

Transdev Group has developed online training on incorporating security into the operational management of activities. This training raises awareness of security issues among the 3,000 managers and, more specifically, on

managing and reporting security incidents in accordance with the Group’s whistleblowing procedures.

In France, Transdev has created a training module focused on preventing and handling conflict situations. The primary target audience of this module is drivers, as well as all people in direct contact with passengers. Trainees learn and understand the mechanisms of conflict and learn to anticipate it in order to mitigate its impact. They also put into practice a range of conflict avoidance and de-escalation techniques through practical case studies. These sessions are also an opportunity for employees to share and discuss conflict situations experienced in the course of their work. In Canada, this training module was used as a model for the “Aggression Prevention” (“Prévention des agressions”) training program. This training program for all Transdev Canada employees teaches the attitudes and language to use in order to best handle and defuse conflict situations with passengers.

Transdev France teams have also developed a specific training module on preventing and combating sexual harassment and violence against women in public transportation. At the end of this training, consisting primarily of workshops and role-playing exercises, trainees are able to identify sexist aggression and sexual assault and apply the victim assistance procedure, adopting the appropriate support approach.

These initiatives are shared within the international security community and serve to inspire Group countries to develop training modules tailored to local security issues.

Reassuring and dissuasive human presence

Human presence in vehicles, trains and stations is the most effective way to ensure the tranquility and safety of public transportation. This is why Transdev has outsourced security services to private companies to bolster its security systems in numerous networks. These security agents are trained in techniques for conducting actions in confined spaces and in spaces open to the public.

Innovations for increased security

Technological innovations contribute to greater safety and security in transportation. Data on incidents and rude behavior collected by internal and external tools feeds the databases and improves reporting of incidents and rude behavior by diversifying the source channels (passenger crowdsourcing, recovering alert signals from vehicles, detecting risk situations by audio and video analysis). This information, which is consolidated and shared with local authorities, is used to offer solutions that reassure passengers and encourage the use of public transportation, deter rude behavior, and provide faster and more effective responses.

In 2022, on the International Day for the Elimination of Violence against Women, Transdev France signed a partnership agreement with UMay, a leading mobile app against street harassment and sexist and sexual violence in public areas.



This collaboration expands this initiative into public transportation and has led to a series of actions, such as:

- training and awareness-raising for employees on providing assistance to victims of aggression or harassment;
- creating designated “Safe Places” (safe places for people in distress) within sales agencies;
- developing features in the app specifically tailored to mobility using public transportation.

Sales outlets and agencies within the Vitrolles pilot network, an entity of Transdev Alpilles Berre Méditerranée, have been designated “safe places” in the app, and UMay has trained teams in the “R method” (Collect, Reassure, Inform) for dealing with victims. Since November 2023, six of the network’s employees have also become in-house trainers and are able to train drivers on this issue.

Target

90%

of the network’s drivers trained by September 2024

This partnership is now being extended nationwide and new developments are under study, such as adding a conversation module that would allow users who feel unsafe to contact the security control center directly.

Collaboration and expertise sharing

In all countries where Transdev operates, it develops a partnership strategy with the police authorities and public institutions. This action most often takes the form of agreements signed or the participation of security managers in training or awareness-raising sessions facilitated by law enforcement agencies.

In Sweden, security managers are regularly invited by local law enforcement agencies to attend awareness-raising meetings on major issues such as combating drug trafficking, crime and recidivism, preventing radicalization and combating terrorism.

Transdev also assists public transit authorities with studying new security strategies and the possibility of setting up transit police forces or deploying private security agents in the networks. Its benefit is that it provides backup and an operational interface for crime prevention and crime-fighting missions.



Transdev joins the network of defense partners

Transdev and the French National Guard signed a long-term partnership agreement on December 18, 2023.

Although the primary aim of this agreement is to support the operational reserve forces, it also establishes a framework for joint work carried out in a spirit of public service, as Transdev will facilitate the commitment and availability of its reservist employees. This example of civic action contributes to the implementation of safe solutions at the heart of cities and communities.

By signing this agreement, the Transdev Group joins the network of defense partners, comprising 1,000 companies, local authorities and higher education institutions that support the operational reserve forces.

Combating terrorism and preventing radicalization

In coordination with the police forces and in accordance with government guidelines, Transdev adapts its vigilance measures depending on terrorist threat levels. In each country, Transdev takes particular care when hiring employees, especially drivers, who are in direct contact with passengers. The counter-terrorism policy is managed by the countries in accordance with national guidelines. In France, all applicants for a position in public transportation companies classified by decree as sensitive systematically undergo an administrative security investigation by the National Police.

Key Performance Indicators

KPIs	2022	2023
Lost time injuries frequency rate due to assault	3.10	2.47
Lost time injuries severity rate due to assault	0.42	0.37
Rate of physical assaults on passengers	1.03	0.37

The year 2023 was marked by an increase of hours worked and kilometers traveled, due to the acquisition of First Transit in the United States and Canada, the start of operations on the Quito metro and new contracts in several countries. At the same time, the number of reported assaults against employees or between passengers remained stable compared to the previous year, which explains the decrease in the frequency and severity of these incidents in 2023.

From an overall standpoint, the quality of the data reported has been improved thanks to the work carried out in close liaison with the safety referents in all countries to analyze and improve the reliability of reporting. For France, incidents characterized as fights and brawls have been excluded from the definition of the rate of physical assaults on passengers indicator.

In accordance with the national nomenclature for recording incidents of transport crime drawn up by the Ministry of Transport and shared by all operators. In addition, a new safety organization has been set up in France, based on a safety policy adapted to the country's challenges, the appointment of a safety referent in each region and the definition of a robust reporting process. This organization has led to a marked improvement in the coverage rate for this indicator in 2023.

Key figures

100 %

of the countries where Transdev does business covered by a national security officer

2,250

managers received training on security issues

Achievements

Survey of perceptions of personal safety in public transportation

In 2023, the Transdev Group, in partnership with the Enov research firm, carried out a survey on the perception of personal safety in public transportation in order to update and increase its understanding of this issue and identify effective ways of improving the feeling of personal safety in public transportation. The survey revealed that insecurity is the second greatest concern for more than half of those questioned (56%), and that the three actions deemed most effective are on-board video surveillance cameras, an increased security presence, and on-demand stops. These safety measures would encourage 87% of respondents to use public transportation more frequently.

New partnership between Transdev and the National Gendarmerie



In March 2023, Edouard Hénaut, CEO of Transdev France, and Army General Olivier Kim, Director of Operations and Employment, signed a master agreement to enhance operational coordination and information exchanges in the fields of road, rail, maritime, infrastructure and cyber security. Under this agreement, with the support of the General Directorate of the National Gendarmerie (DGGN), Transdev has launched a series of awareness-raising and training initiatives for its employees.

Conference on personal safety in public spaces



Transdev was a partner of the “Safety in Public Spaces Is Everyone’s Business” (*“La sécurité dans l’espace public est l’affaire de tous”*) conference, which was organized by UMay in February 2023, and participated in the discussions on the means needed to increase the feeling of personal safety in public spaces. This conference, which was introduced by Marlène Schiappa, former Secretary of State for the Social and Solidarity-Based Economy and Non-Profit Associations, was an opportunity for Transdev to reiterate its commitments to making mobility safer and less stressful for all passengers. During a round table on the roles of private players, Transdev shared its experience in the areas of collaboration and liaising with local ecosystems, such as giving talks to school groups and non-profit associations or conducting joint security operations with the police.

Training on handling rude behavior

In July 2023 in Meaux, the national police in Seine-et-Marne offered a joint training session for police officers and ten Transdev employees (drivers and ticket inspectors) on handling rude behavior on public transportation. After a morning spent on theoretical aspects, the afternoon was devoted to practical exercises and role playing on Transdev buses. This training session enhanced employees’ conflict management skills. The training session had two objectives: teaching useful techniques and providing Transdev employees and national police officers with an opportunity to get to know each other better in order to improve their cooperation in the field.



V. Transdev, a sustainable mobility player

Acting for the environment and climate

On a global scale, mobility plays a major role in environmental and climate issues. To build sustainable mobility that contributes to carbon neutrality, we need to convince as many people as possible to opt for public transport. The Group is convinced that public transportation paves the way for a transition that provides a healthy environment while offering the opportunity to travel freely.

This is why Transdev is working to offer mobility solutions that are more respectful of the environment, more equitable and more inclusive. Working closely with its stakeholders, the Group continues to develop relevant alternatives to the private car, which take account of local needs and ensure optimal coverage of local areas. In particular, Transdev is continuing its efforts to transition its fleet: by the end of 2023, the Group operated 1,622* zero-emission (as defined by the Taxonomy) buses and coaches worldwide, and for each new project it proposes the energy solution that is best suited to local constraints: electric, biogas, biofuel.

FIELD

CHALLENGES

RISKS



- Decarbonization of our fleet and zero emissions
- Local pollution from transportation and operations
- Sustainable and circular use of resources
- Global carbon footprint
- Preserving biodiversity
- Energy transitions of operations
- Resilience to climate change

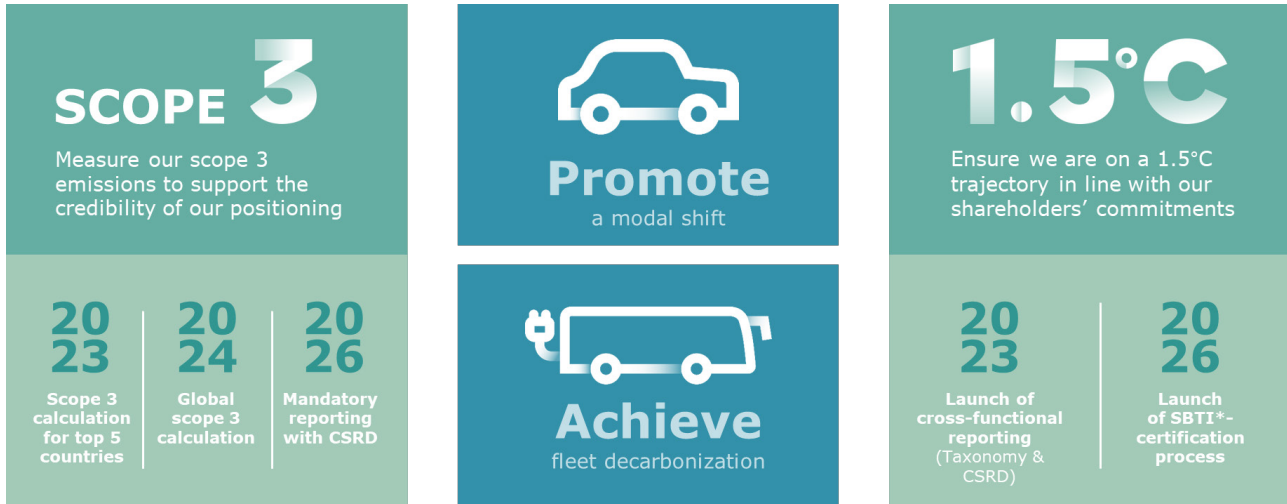
- Accidental / gradual ground pollution
- Gradual air pollution
- Regulatory and contractual non-compliance in environmental matters

Commitments

Faced with the need to decarbonize the transportation sector, the ecosystem is restructuring, regulations are becoming more restrictive, and political commitments in the regions where Transdev operates are increasingly ambitious.

Transdev fits into this ecosystem and shows its commitments by taking into account market analyses, new regulations, local and national political commitments, and the sector's production capacity (particularly in the United States, Europe and Australia).

*consolidated scope excluding First Transit United States



Since 2020, the “Moving Green” strategy, one of the Group’s priority programs, has focused on the following commitments:

- reducing the carbon intensity of the Group’s fleet by 30% by 2030 (base year: 2018);
- increasing the alternative fleet by 50% by 2030 (base year: 2018);
- reduce the NOx emissions of the road diesel fleet by 50% by 2030 relative to 2018 levels.

The Moving Green strategy is deployed in each country in line with local issues, customer expectations and local laws.

The Transdev Group is committed to supporting its customers and suppliers in deploying efficient, low-carbon mobility solutions, drawing on the zero emission expertise of its teams and the opportunities offered by responsible financing.

To support the countries, Transdev is expanding its tools for measuring environmental impact, both the footprint per passenger carried and of the entire value chain (Scope 3). This is an essential prerequisite for achieving our objectives and mobilizing the capital needed to finance this transition.

Reporting and transparency

In connection with its Moving Green strategy, Transdev has strengthened its reporting systems to meet the requirements of the Taxonomy Regulation, which was adopted by the European Union in 2020 with the goal of redirecting capital flows towards sustainable investments, promoting transparency over the long term, and integrating the concept of sustainability into risk management, as well as to anticipate the future application of the Corporate Sustainability Reporting Directive (CSRD).

Carbon impact transparency throughout the value chain is a major regulatory development. The Group launched the “Vision Scope 3” project in 2022 to measure its carbon impact. The aim of this project is to collect data on Transdev’s indirect emissions, i.e., emissions of suppliers (upstream Scope 3) and customers (downstream Scope 3). This project is a key step to providing the Group with a global view of total emissions. A number of countries, including France, Germany, Australia, the Netherlands and Sweden, are taking part in this project to produce an initial estimate of their Scope 3 emissions.

Transdev has performed a complete calculation of all Scope 3 categories for one country and for all of the Group’s modes of transportation. This calculation identified the following categories as significant: 1. Purchased goods and services, 3. Fuel and energy related activities, 6. Business travel, 7. Employee commuting, 8. Upstream leased assets. These categories, which cover over 95% of Scope 3, are currently being



Transdev Netherlands, which includes the Transdev/Connexion OV, Connexion Taxi Services and Witte Kruis operating divisions, has set itself higher targets for the years 2022-2025, in line with government commitments:

- at least 50% of the commercial public transportation fleet powered by electricity or hydrogen;
- total annual gas consumption of buildings and facilities reduced by 10%;
- total annual electricity consumption of buildings and facilities reduced by 30% compared to 2019.



In Australia, Transdev launched a new fleet emissions monitoring system in 2023, which will help improve the performance of buses in certain Australian cities. This environmental dashboard will measure the amount of fossil fuels used (diesel, compressed natural gas, gasoline and electricity), as well as the water consumption of over 2,000 Transdev buses, trams and ferries in Sydney, as well as buses in Perth and Brisbane.

rolled out in all Group countries, which will collect the relevant data annually. In 2023, Scope 3 emissions were calculated for 65% of the Group’s revenue. As Transdev provides passenger transport, its activities do not include downstream transport. “Indirect emissions from downstream transport” (3.9) are therefore zero. Emissions linked to the transport of purchased products (vehicles, spare parts, equipment) are included in emissions relating to the manufacture of these products in the corresponding Scope 3 categories. Emissions from transport subcontracting, estimated at 187 kt of CO2e in 2023, are therefore included in the “indirect upstream transport emissions” category (3.4).

Environmental policy

Controlling the environmental impacts requires analyzing the significant risks inherent in due diligence duty and compliance with Directive 2014/95/EU of the European Parliament. This in-depth study highlighted the main environmental risks:

- gradual air pollution: climate and air quality issues;
- gradual and accidental ground pollution in the areas where the Group operates;
- regulatory and contractual non-compliance in environmental matters.

Transdev Group has adopted an approach that aims to preserve ecosystems in the long term by focusing on the following main areas:

- Minimizing the environmental impact by implementing the Environmental Management System (EMS). Transdev is committed to continuous improvement. The application of the policy and compliance with the commitments are monitored and verified annually (number of entities in compliance with Transdev’s EMS criteria, percentage of the environmental policy deployed in each Group subsidiary, percentage of ISO 14001-certified sites).
- Ensuring compliance : through our continuous improvement approaches, experiments and pilot initiatives, Transdev complies with environmental regulatory requirements or seeks to exceed them and provide environmentally friendly mobility (number of instances of non-compliance/number of contracts);
- Making a commitment through effective communication: Transdev promotes environmental excellence and sustainable development in its business practices (responsible driving, route optimization) and through its communications aimed at passengers, in particular through multimodal information systems that provide passengers with all information they need to complete their journey door to door using various transportation modes (changes in GHG emissions kg/100km traveled).

Environmental Management System

Transdev monitors its environmental impact through its Environmental Management System (EMS). This system detects and measures impacts with a view to continuous improvement, based on a quality assurance approach to processes and infrastructure certification. The EMS provides detailed reports on local pollution, energy consumption, carbon emissions, and water and waste management. The system is a tool for ensuring regulatory compliance and achieving Transdev’s environmental policy objectives. This effective network quality management tool has been deployed by many of the Group’s entities and adapted to local specificities. The EMS is monitored and the Group’s objectives and programs are coordinated by the Climate & Environment Department, which reports to the Strategy and Transformation Direction. The Climate & Environment Department works with the environmental coordinators of the Group’s subsidiaries. In the countries, the QSE communities are responsible for implementing the EMS at the operational level.

Actions deployed

3 action points

Acting with customers

Transdev’s Zero Emission team provides expert assistance around the world to help clients engineer the energy transition

Offer specific services to help local authorities reduce their local carbon footprint through funding

Appeal of public transportation and modal shifting

Adapting the transportation offer to passengers’ needs

Improving the customer experience

Deploying a marketing plan that targets communities dedicated to the modal shift

Operational excellence

Preserving and protecting ecosystems

Circular economy solutions

Training and awareness-raising

Zero-emission* mobility

The electrification of transportation networks is a major issue for public transit authorities worldwide due to its contribution to the energy transition and to reducing air pollution. The Transdev Group is playing an active role by deploying a zero-emission fleet on a wide scale. By acquiring in-depth knowledge of its entire value chain, Transdev seeks to identify optimal, innovative and appropriate operational solutions. To develop these solutions, which carry significant costs, financing is a major issue for all players.

Transition of the vehicle fleet

Transdev deploys zero-emission* transportation solutions that are based on a different energy mix and are tailored to the geographical, climate and usage specificities of each community. By the end of 2023, the Group operated 1,622 zero-emission* buses and coaches (consolidated scope excluding First Transit United States), making Transdev an international leader in the electrification of public transport fleets.. In addition, the Group’s fleet includes over 4,773 gas and biogas buses and coaches (consolidated scope excluding First Transit United States).. This is a priority program for the Group, which has set itself high ambitions in terms of fleet electrification, in line with

demanding regulations such as the European directive on the promotion of clean and energy-efficient road transport vehicles, as well as the introduction of dedicated funding programmes in Europe and outside Europe (Zebra programme launched by the United Kingdom government). In 2023, new electrical solutions were widely deployed:

- in Santiago, Chile, Transdev and its Redbus Urbano (RBU) subsidiary placed 238 electric buses in service. At the same time, the equipment needed to recharge these buses was installed in three depots;
- in Bogotá, Colombia, Transdev and its local partner Fanalca operate the largest electric bus fleet in South America consisting of 406 buses, and have built the largest electric bus depot in the world (outside China), with an area of over 40,000 m²;
- in the United Kingdom, Transdev Blazefield placed an order for 39 new electric buses with the aim of fully electrifying its Harrogate fleet;
- in Portugal, ten new electric vehicles and one electric ship were placed in service;
- in Gästrikland, Sweden, 53 electric buses are now on the road;
- in the Netherlands, Connexxion Taxi Services (a Transdev Group subsidiary) purchased 168 electric vehicles that will be used in the recently awarded concessions in Breda, Etten-Leur, Zundert and Almelo;
- in New Zealand, Transdev Australasia added three new electric buses to the Auckland network;
- in Bavaria, Germany, the first hydrogen-powered train was tested in partnership with Bayerische Regiobahn, a Transdev Germany entity. Its launch is scheduled for 2024.

Transdev is also a pioneer in hydrogen-powered public transport, which, like battery-electric technology, is a “zero emission*” solution. It is an energy solution that is suitable for certain operational situations where batteries are not appropriate. In 2023, Transdev’s fleet included a total of 49 hydrogen-powered buses and coaches (consolidated scope excluding First Transit United States). In Bogotá (Colombia), Transdev’s subsidiary Green Mòvil is running the first hydrogen-powered bus in Latin America for a period of eight years. The fuel will be certified green hydrogen from renewable origin. With a single hydrogen refill, which takes only eight minutes, the bus has a range of 450 km. Transdev is also contributing to the emergence of hydrogen ecosystems in local areas in order to optimize the energy market through short circuits and large volumes, such as in Toulouse, with the inauguration in 2023 of a station for the production, storage and distribution of renewable hydrogen to run the Transdev Occitanie Ouest shuttles to the airport. In October 2023, Transdev United States joined the Hydrogen Fuel Cell Bus Council. This group is made up of public transportation agencies, suppliers and manufacturers working together to promote the use of hydrogen-powered buses in the United States and to share best practices.

*as defined by the Taxonomy

Transdev is also contributing to the gradual conversion of diesel bus and coach fleets to electric vehicles. For example, in Australia, Transdev was the successful bidder for an eight-year contract (2022-2030) to gradually replace 136 diesel buses with electric vehicles.

Zero-emission expertise

To assist mobility public transit authorities to convert their vehicle fleets, the Group has set up a dedicated Zero Emission (ZE) team. It provides expert support to subsidiaries around the world. This team is made up of experts with cutting edge knowledge in the field of electric mobility who are able to advise customers on the latest technologies. The ZE team coordinates the community of Zero Emission officers in each of the Group's subsidiaries. In 2023, a two-day seminar brought together the ZE officers (22 participants in total) to discuss key issues, Transdev's ZE strategy and current events in the countries. In addition, participants were given a tour of local facilities and discovered the ZE fleet of Transdev Netherlands.

Transdev is strengthening its leadership in managing large fleets of electric buses through the deployment of optimisation tools, such as the "TakeCharge" project in the Netherlands. Carried out with several partners specialized in data, the solution provides real-time information that is vital for ensuring the smooth running of a network that has switched to electric power: battery charge status, future vehicle range projections, charger operating status. These tools will also enable Transdev to improve its knowledge of how batteries age over time and how to carry out more "intelligent" recharging.

Green financing

The ecological transition of communities generates significant costs for all stakeholders, in a context of increasingly limited resources. These costs are generated by investments in infrastructure, fleet renewal and the development of new technologies. Financing plays a critical role in mobilizing capital for investment and supporting projects that promote the ecological transition of communities.

The purchase of green certificates is a solution designed to support the production of electricity from renewable energy sources, such as wind, solar, hydro or biomass.

This has been the case for Transdev, in particular in France, where the Région Sud regional authority awarded Transdev the operation of the Marseille – Toulon – Nice regional rail line starting in the summer of 2025. This line accounts for 10% of the regional service offer. Traction energy will be 100% green and entirely produced in France, through the purchase of green certificates. At the same time, the network's operators will also be trained in energy efficient train operation techniques.

In 2023, the Transdev Group financed the acquisition of First Transit by negotiating its first U.S. dollar loan indexed to sustainable development indicators with its partner banks.

Appeal of public transportation and modal shifting

The use of public transportation is a solution that reduces the sector's carbon footprint and decreases road traffic. The main challenge is to attract passengers to public transportation and transition away from the "car is king" model. To promote this shift, Transdev has deployed a number of initiatives:

- by adapting the offer to passengers' needs:
 - with increasingly flexible solutions for the first and last kilometers (on-demand transportation);
 - adjusting capacities in real time to daily changes in customer needs (accurate and continuous measurement of our customers' mobility flows thanks to Flowly);
 - by controlling the environmental impacts of transportation solutions deployed and informing passengers of the impact of their journey (comparisons between various modes of transportation, kg of GHG emissions/100km traveled);
- by improving the customer experience:
 - by offering seamless travel: multimodal options;
 - by offering comfortable conditions;
- by deploying a marketing plan dedicated to modal shifting that targets communities.

Preserving and protecting ecosystems

The way in which mobility systems are planned, developed and used has a significant impact on the health of ecosystems. As a mobility operator and partner of local authorities, Transdev works with local stakeholders to design solutions that support ecosystems preservation in the long term.

Since 2016 in France, Transdev has partnered with CDC Biodiversité, a Caisse des Dépôts Group subsidiary, through the Nature 2050 program, which focuses entirely on actions to promote biodiversity. The goal of the program is to protect and preserve the local ecosystems. In 2021, Transdev formalized its commitment by signing a master agreement with CDC Biodiversité in France to work alongside local authorities in supporting concrete actions to protect biodiversity. In 2023, this partnership enabled the Group to commit to the restoration of over 118,900 m² of green spaces in the regions in which Transdev operates, the preservation of which is guaranteed until 2050.

In 2023, Transdev took part in a project to measure the health of biodiversity in Rouen, France, with a particular focus on the bat population. Seven buses, traveling in urban, rural and forest areas, were fitted with a microphone placed on a rearview mirror. The project's findings contributed to the policy adopted by Rouen, which in 2023 was the French capital of biodiversity.

Circular economy solutions

Although the Group's materiality analysis did not identify waste management as a priority focus for Transdev, the recycling rate for hazardous and non-hazardous waste is nevertheless monitored in connection with the reporting process. In fact, the Group has tracked hazardous and non-hazardous waste tonnage and recycling rates since 2018. National laws set out

requirements in this area, and the Group's countries ensure compliance with the legislation applicable to them.

Waste management is carried out by the entities in the various countries, at the network level, and must meet ambitious targets. All Transdev's networks comply with local laws. For example, European Union (EU) member countries must comply with the 2008 Waste Framework Directive, which aims to transform the EU into a "recycling society", as well as with their national standards. In France, the sorting of waste, whether or not hazardous, is a requirement in the networks. To meet this obligation, different bins are available. To track waste until the end of its life cycle, hazardous and non-hazardous waste tracking slips are processed, in accordance with regulations. Master contracts have been negotiated to enable the various entities to benefit from national supplier networks and thus ensure uniform waste treatment, for example of used oils, aerosols, and soiled rags. In the Netherlands, an environmental policy aimed at drivers and mechanics provides specific waste management instructions (waste sorting, use of reusable materials, encouraging reuse or recycling, computer waste management). There are also initiatives to recycle certain components, such as the reuse of bus seat covers.

In July 2023, Transdev Australia carried out a test project to recycle the uniforms of its Sydney and Queensland tram and bus network employees. In partnership with BlockTexx, 400 kg of clothes were recycled and then repurposed as clothing, sunglasses and playgrounds. Outside the European Union, Transdev United-States has put in place a waste management procedure, which is integrated into its environmental management system (EMS), and has issued "Green Garage Advantage", a guidance document drafted as part of Transdev's Advantage series, which highlights sustainable practices. Finally, the Group encourages countries to follow the ISO 14001 standard (the percentage of entities and countries certified to ISO 14001 or an equivalent standard is tracked in the annual reports), thus ensuring they are committed to optimizing waste treatment.

The special case of traction batteries

Traction batteries are recycled according to one of two possible scenarios:

- Transdev leases the batteries and their end-of-life treatment is handled by the owner (frequently the manufacturer or the company that places the batteries on the market);
- Transdev owns the batteries and a return clause provides that, at the end of their life cycle, the batteries will be returned to the manufacturer or the company that placed them on the market.

Suppliers are thus responsible for recycling batteries. Under the Regulation of the European Parliament and of the Council concerning batteries and battery waste, EU member states must comply with a broad set of battery recycling requirements. In the United States, suppliers are responsible for the end-of-life treatment and recycling of batteries, in compliance with local regulations.

The "Anubis" project, carried out in conjunction with the Dutch bus manufacturer VDL Bus & Coach and the German energy company RWEk, enabled reusing the batteries of the 43 electric buses that Transdev operates in Eindhoven in the Netherlands were they were recycled. Used batteries are used as energy storage systems. With a total storage capacity of 7.5 megawatts, the batteries will be connected to the RWE power plant in Moerdijk. The experience gained should lead to large-scale deployment and contribute to the development of new circular economy solutions in the Netherlands. All of these initiatives are components of Transdev's circular economy approach.

In order to provide appropriate solutions for reducing the environmental footprint of the vehicle fleet, it is necessary to consider the resources required to create the chassis, manufacture the electric vehicle battery and produce the biogas used as fuel. As well as extending the vehicle's lifespan before it is discarded or recycled.



A project to measure the health of biodiversity in Rouen, France



Uniform recycling - Australia

With these factors in mind, retrofitting has become a particularly effective solution at this time. Transdev's retrofitting experiments include replacing diesel engines with electric motors powered by fuel cells that convert hydrogen into electricity. These solutions help reduce greenhouse gas emissions and atmospheric pollutants linked to mobility,, while paving the way for a new industry.

An example is provided by the Normandy region of France, where Transdev initiated and participates in the Nomad Car Hydrogène (NCH2) project, which has been in operation for two years in cooperation with a dozen institutional, industrial and university participants. Also in France, in the Touraine region, the first approved electrically retrofitted school bus began service in 2023.

In Sweden, following the retrofit of the M/S Rex ferry in 2022, Transdev's teams, in partnership with Scania, have pursued their energy transition objectives: two additional ferries have been equipped with hybrid engines that run on biodiesel and electricity.

Training and awareness-raising

In 2022, an e-learning module to raise awareness of current global environmental issues was developed. This module covers the challenges faced by the transportation sector, as well as Transdev's strategy, ambitions and solutions for reducing its environmental impact.

In June 2023, Transdev France and The Shifters, a non-profit association, signed an agreement to hold Mobility Fresco workshops in all networks nationwide. These workshops, attended by over 300 employees, raised awareness of the carbon challenges of personal mobility.

Following on from the success of this first partnership, the Group has decided to expand the program internationally. Workshops will be held in nine other countries, giving Transdev teams the opportunity to learn about decarbonized mobility options and to position environmental issues at the heart of the thinking and actions at all levels of the company.

Climate change adaptation plan

In addition to the effects of the Group's activities on the climate, Transdev anticipates the impacts of climate change on its own activities and is currently working on establishing and implementing an adaptation plan. This work takes into account the impact of climate change on its own organization, in order to prepare and carry out the strategic adjustments necessary for its own adaptation. To do so, the Group considers all direct and indirect risks, i.e., risks that directly impact the conditions under which the Group operates, such as extreme weather events

Retrofit allows
87 %
reduction of GHG
vs maintenance
for a diesel vehicle
source: Ademe, Retrofit study, march 2021

(floods, heatwaves), and transition-related risks (energy-saving plans, access to energy).

Issues raised by climate hazards

In the mobility sector, the hazards associated with climate change carry significant human and social implications. In response to the growing risk of natural disasters, the Transdev Group has adopted an adaptation plan to mitigate the impact of climate change on its activities. This plan, which is primarily preventive in nature, aims to protect employees, users and any other people who may be adversely affected by any damage sustained by Transdev. The measures proposed to respond to climate hazards cover all operations and the 19 countries in which the Transdev Group does business.

Moreover, this approach requires integrating a variety of parameters in order to obtain a global view of the implications each hazard carries for the Group. Financial, human, legal, reputational, social and continuity impacts are taken into account in this analysis.

The strategic aspects of the climate change adaptation plan are also a major consideration. Analysis of the risks associated with climate change, a key step in implementing the adaptation plan, has identified obstacles that may prevent the Group from achieving its GHG emissions reduction target. The energy transition of the Transdev fleet offers a good example: electric vehicles are much more sensitive to climate hazards, such as cold snaps, than internal combustion vehicles. It is therefore crucial for the Group to anticipate this risk and to devise adaptation solutions as of today.

Climate-related risks

Certain climate hazards included in the European Taxonomy present significant risks for Transdev's activities. This risk level is determined on the basis of the probability of occurrence of the hazard and its level of impact. The criticality of each of these risks takes into account the different types of impact discussed above and is used as a risk management indicator within the Group.

Internal analyses have identified the activities of the Transdev Group that are particularly exposed to three main types of climate events: heatwaves, changes in patterns and types of precipitation (floods in particular), and fires. Certain areas where Transdev does business are vulnerable to landslides and earthquakes (for example Southern California). Heatwaves in particular present a major risk for all Group stakeholders, across its entire value chain. According to the data used for the IPCC scenario 8.5 projections (worst-case scenario with high GHG emissions), these events will become increasingly frequent and intense. In general, they will occur in conjunction with periods of drought and increase the risk of fires, which can also impact transportation activities. Heatwaves alternating with disruptions in rainfall patterns, in particular increasingly heavy rainfall over shorter periods, will increase the risk of floods.

The Group's sensitivity to climate impacts has been measured more granularly in three regions where Transdev operates, Sydney, Southern California and the south of France, and these measurements confirm the preliminary analysis. This study in

fact showed that Transdev's activities are particularly sensitive to the risks of heatwaves, floods and fires. These results were presented to Transdev's top management at a climate risk awareness training session.

Methodology and analysis framework

In implementing this adaptation plan, the Climate & Environment Strategy team and the Risk Department used the most pessimistic emissions trajectories projected by the IPCC (scenario SSP5-8.5).

A rigorous adaptation plan must cover all modes of transportation operated by Transdev, applying the categories of the European Taxonomy. Accordingly, the analysis of climate hazards covers passenger interurban rail transportation (6.1); urban and suburban transportation, road passenger transportation (6.3); transportation by motorbikes, passenger cars and light commercial vehicles (6.5); and inland passenger water transportation (6.7) ; and air transport ground handling operations (6.20). In addition, this approach includes the management of two types of infrastructure exposed to climate hazards: rail transportation infrastructure (6.14) and low-carbon road and public transportation infrastructure (6.15).

Risk management – consultation of in-house experts

Certain climate hazards may present risks specific to particular modes of transportation. Therefore, to prepare a global adaptation plan, it was deemed necessary to consult Transdev's in-house experts on the different modes of transportation operated within the Transdev Group. Consultations were held with experts in rail transportation (heavy rail, light rail) and urban and suburban buses, as well as with the Group's expert in active modes of transportation. The Group's Insurance Department was also consulted. This plan is primarily preventive in nature, and integrates financial, human, legal, reputational, social and continuity aspects, without deviating from the core of the Group's strategy. It enables the Group to identify the threats climate change impacts pose to its business and its stakeholders (customers, suppliers, employees, passengers).

Action plan

Based on a broad range of internal collaborations, in 2023 a Group-wide action plan was developed that sets out the adaptation measures implemented or to be implemented for each hazard and for each mode of transportation. For example, the Climate & Environment Strategy team worked with in-house experts from the safety team and the Zero Emission team to identify safety measures already implemented at the Group, country and regional levels. In particular, the teams in the United States launched the "Beat the Heat" program to limit the impact of heatwaves that had been experienced in previous years. In the same vein, to prevent the risk of damage to electric fleet equipment in the event of flooding, charging infrastructure for electric buses will be installed at height. This equipment is also sensitive to cold snaps and is therefore fitted with a heating system to ensure continuous charging.



Transdev, in partnership with The Shifters, adds an international dimension to the Mobility Fresco

After an initial partnership agreement signed on June 22, 2023 under which collaborative workshops were held in France to raise awareness of the carbon challenges of personal mobility, Transdev and The Shifters association will extend the program to four continents where the Group operates. Following on from the experience in France, Germany, Spain, Ireland, the Netherlands, Portugal, the UK, Sweden, Australia and Canada will be the first countries where Transdev teams, trained by members of The Shifters, will hold workshops to develop knowledge of decarbonized mobility. Inspired by the Climate Fresco, the Mobility Fresco is a tool to help people understand the challenges of mobility, from an ecological standpoint, but also in terms of economic and health aspects.

* From Ademe, Rétrofit survey, march 2021



Transdev United States launches its communication campaign dedicated to heat waves

In the United States, the “Beat The Heat” campaign has helped to raise awareness of employees and passengers about good behaviors to adopt during heat waves. In 2023, among the topics covered, a focus was placed on hydration, vehicle maintenance and heat-related illnesses.

Key Performance Indicators

KPIs		2018*	2022	2023
Rate of entities that experienced accidental pollution during the year		1.6 %	1.25 %	1.84 %
GHG emissions kg/100 km traveled ⁽¹⁾		95.1	85.7	79.6
Alternative fleet percentage ⁽²⁾ : non-diesel road fleet (CNG, biogas, electric, biofuel, hydrogen)		12.2 %	17.1 %	18.1 %
Pollutant emissions g/100 km traveled	CO	74.1	41.2	27.3
	NOx	1224.6	825.2	725.8
	PM	8.1	4.3	3.2
	HC	NC ⁽³⁾	10.8	5.5

(1) Excluding maritime activities. The Group's carbon intensity for 2023 would be 87.6 kg/100km, including maritime activities.

(2) Alternative fleet definition: non-diesel buses and coaches ie. CNG, biogas, electric, biofuel, hydrogen.

(3) NC: Not calculated. Indicator not covered by the audit in 2018.

*2018 base year

The performance indicators presented above have been sized in line with the significant impacts of our business.

Transdev operates a fleet equipped primarily with internal combustion engines, which have two impacts:

- an impact on global warming through a significant carbon footprint (GHG);
- an impact on air quality by generating pollutants: carbon monoxide (CO), nitrogen oxide (NOx), microparticles (PM) and hydrocarbons (HC).

Therefore, these indicators are monitored very closely in order to minimise the Group impact. To guarantee the relevance and reliability of these indicators, the emission factor bases were updated this year. Emissions are now calculated on the basis of ADEME and International Energy Agency (IEA) databases, which are updated annually (the methodology used is detailed in the “Methodological note” section in chapter VIII). The data collection process has also been refined, going from 5 to 15 energy sources, allowing biofuels to be accounted more accurately.

The Group's carbon intensity decreased by 6 points between 2022 and 2023 and 16 points between 2018 (base year) and 2022.

This reduction has been enabled by the integration of carbon indicators providing a finer vision of Transdev's impact, as well as by the energy transition and the increase in the Group's alternative buses and coaches between 2022 and 2023 : 1,025 CNG, 253 biofuels, and 544 electric.

Pollutants are measured on combustion engines. Thus, the upgrading of the fleet and the replacement of the oldest diesel buses and coaches have led to a reduction in CO (33.7%), NOx (12%), PM (25.6%) and HC (49.1%) emissions compared to 2022.

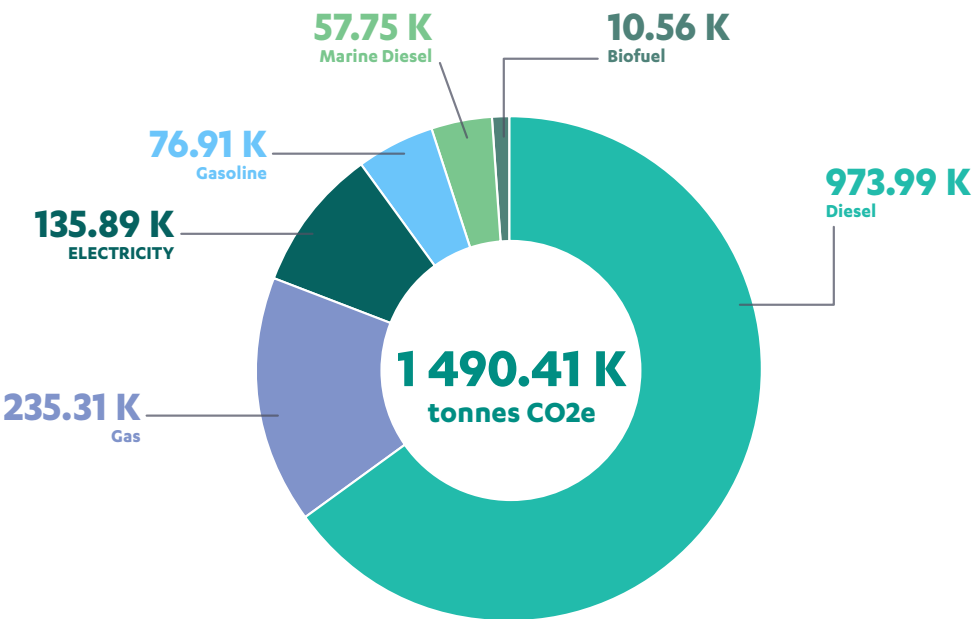
Transdev has pursued its eco-driving actions in operations, which are a strong contributor to the reduction of both carbon and air quality impacts.

This year, operations reported a higher number of accidental pollution incidents (1.84%). This reinforces the importance of implementing action plans in response to this increase. An action plan will be drawn up in 2024, with priority given to the countries in which the pollution occurred.

Moving Green driving low-carbon mobility

Carbon footprint of Transdev's fleet in 2023

Scopes 1 and 2 (tonne CO₂e)



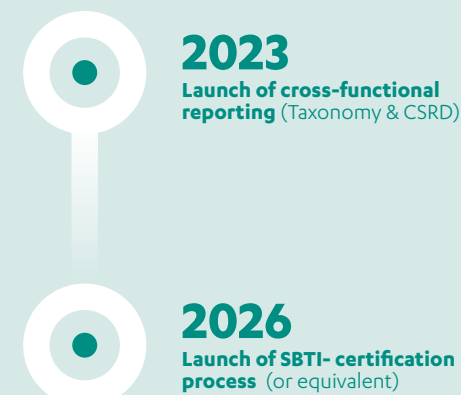
Scope 3

Measure our scope 3 emissions to support the credibility of our positioning



Ensure we are on a 1.5°C trajectory

In accordance with our shareholders' commitments

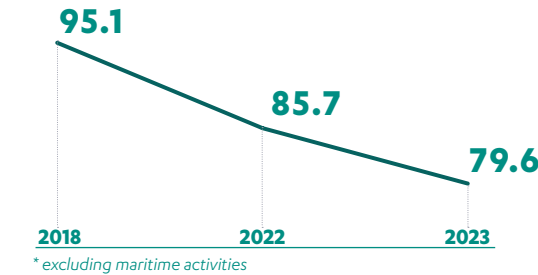


Key commitments for 2030

- 30 %

EMISSIONS OF GREENHOUSE GAS COMPARED TO 2018 (in intensity)

GHG emissions* (in intensity - kg CO₂/100km)



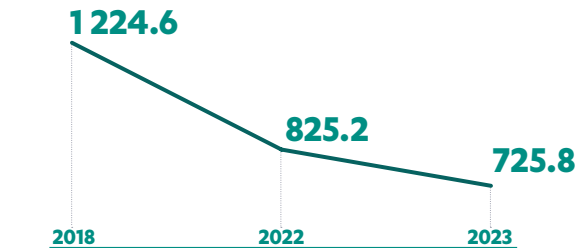
+50 %
COMPARED TO 2018

ALTERNATIVE FLEET

- 50 %

EMISSIONS OF NITROGEN OXIDES (NOx) COMPARED TO 2018

NOx emissions (g/100 km traveled)



IN 2023,
+1 point increase
in the alternative
fleet rate

4,773
gas and biogas
vehicles

1,573
electric
vehicles

49
hydrogen
vehicles

vehicles = buses and coaches

Performance 2023

Climate change
-16 %
intensity between 2018
and 2023 (GHG /100 km)

Air quality
-41 %
of Nox between
2018 and 2023

Energy transition
18.1 %
of alternative vehicles

2 ferries
with hybrid engines using
biodiesel and electricity

1,622
zero-emission
buses and coaches

118,900 m²
of green spaces
restored

Share of kilometers traveled by mode in 2023

57.39 % buses	25.51 % coaches	4.88 % rail	1.10 % tramway	0.22 % maritime	10.90 % others
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Key figures

1,622*
zero-emission
buses and coaches

4,773*
gas and biogas
buses and coaches

**Scope 3 emissions
calculated for
65%
of the Group's revenue**

**consolidated scope excluding
First Transit United States*

Achievements

Electric mobility: Transdev's expertise in Canada

In Canada, Transdev is the largest private operator of electric school buses in North America, with a current total of 84 vehicles.

The addition of these buses has reduced GHG emissions compared with those of internal combustion vehicles. Working with local vehicle manufacturers and electricity suppliers (Hydro-Québec), Transdev Canada's goal is to have a 100% electric school bus fleet by 2025.



Transdev Blazefield transitions its fleet to biodiesel

In June 2023, Transdev Blazefield signed a partnership agreement with Argent Fuels, a major supplier of sustainable biodiesel in the United Kingdom. Under this agreement, Argent Fuels will help Transdev switch to 100% biodegradable biodiesel from renewable sources for its entire UK fleet, deployed from 10 operating centers. This collaboration will reduce CO₂ emissions by over 3,600 tons a year.



Biogas deployment in the Picardie region

Transdev, which operates the TIC network through its subsidiary Transdev Picardie, supports the energy transition in the Compiègne region. Thanks to the collaborative efforts of the Compiègne metropolitan area, Transdev Picardie and its partners GRDF, Iveco, Scania and Total Energies, a new biogas fueling station has been in operation since January 2023. This station will supply BioNGV to fuel the network's new buses (eventually around 15).



Transdev Group headquarters awarded "Gold Employer Pro Vélo" ("Employeur Pro Vélo niveau Or") label

In September 2023, Transdev's head office in Issy-les-Moulineaux was awarded the "Gold Employer Pro Vélo" label by the French Bicycle Users Federation (FUB). This award is a testimony to Transdev's commitment to sustainable mobility and to promoting the use of bicycles as a means of transportation for head office employees. It attests to the quality of its cycling infrastructure, its incentives to use bicycles, and its initiatives to improve the quality of life for head office employees.



Transdev, official partner of ChangeNOW



In 2023, Transdev was an official partner of the ChangeNOW event. Each year, it brings together the most innovative solutions and the most influential changemakers for a series of talks, workshops and exhibitions.

At this event, Thierry Mallet, CEO of Transdev Group, spoke at the conference on "Building Sustainable and Resilient Cities", together with Minna Arve, Mayor of Turku, Finland. In addition, Antoine Grange, CEO Europe Transdev Group, and Edouard Hénaut, CEO Transdev France, took part in the "Sustainable Cities Program".

VI. Transdev, partner of communities

Contributing to the development of communities

For communities, mobility is a catalyst for development and public transportation, in particular, is a key asset for adapting to the economic, social and environmental challenges of today and tomorrow. They improve access to communities, boost their vitality and appeal, and facilitate passengers lives by making travel easier, faster and cheaper. With an average of 12 million journeys operated each day, the Transdev Group is a key socioeconomic player in communities. The mobility solutions Transdev deploys provide access to places where people work, study, shop, relax and socialize.

Against a backdrop of rapid change, greater demands and limited resources, mobility in communities is changing and faces new challenges at the crossroads of environmental, social and societal issues. It is essential to examine the various trends that structure communities and their long-term effects. Transdev is committed to creating value in communities and to working with local authorities over the long term to build customized, integrated and inclusive mobility solutions.

To meet a broad range of requirements and needs, Transdev activates a number of tools: promoting the use of public transportation, supporting modal shifting, electrifying vehicle fleets, offering increasingly accessible and connected solutions. The Group also employs innovative strategies, based on partnerships and inclusive approaches, to design new solutions that meet the needs of society. Through its innovative offers, experiments, sustainable procurement policy, and solidarity initiatives in conjunction with local non-profits, Transdev makes a concrete contribution to the ecological transition and social cohesion of communities.

FIELD	CHALLENGES	RISKS
<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>10 REDUCED INEQUALITIES</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>	<ul style="list-style-type: none">• Passenger experience and information• Partnership with local actors• Procurement and logistics management• Financial, physical and geographic accessibility• Inter- and multimodality• Digitalization of transportation services• Developing and promoting public transportation• Promoting education, arts and culture• Heritage preservation• Philanthropy	<ul style="list-style-type: none">• CSR claims against a supplier

Commitments

Transdev is a global mobility operator and integrator that develops and operates safe, efficient and innovative solutions that enable everyone to get around each day. Promoting the use of public transportation is the bedrock of Transdev Group’s corporate mission, by offering networks that meet the concrete needs of day-to-day life, operated with the highest quality of service and exacting standards in terms of customer experience.

Transdev is committed to working with public transit authorities and passengers to improve the passenger experience.

In particular, Transdev aims to be “passenger-centered.” Various initiatives have been deployed to achieve this goal, such as the service commitment project in France. A key aspect of this project is the “Service Commitments” charter that has been adopted. It formalizes Transdev’s value offer to its passengers focusing on six major aspects:

- control over one’s journeys;
- quality of human interactions;
- “mobility +”;
- passenger well-being;
- safety and security;
- responsible mobility.

To meet its ambition to develop accessible mobility for all, Transdev banks on innovation and forges numerous partnerships to design innovative solutions tailored to the needs of an ever-changing society, make journeys seamless, bring distant populations closer together, adapt supply to demand, make transportation ever more environmentally friendly, and develop solutions and services for the city of tomorrow.

Actions deployed

Passenger-centered focus

In connection with the deployment of the “Service Commitments” charter, a complete support kit is available to help the networks translate their commitments into actions specific to each one.

In particular, it proposes a communication campaign entitled “A Happy Passenger’s Journey” (*“Itinéraire d’un passager heureux”*) to publicize and promote the network’s commitments to users, teams and partner public transit authorities.

In 2023, implementation of the “Service Commitments” charter was tested in several networks in France and will be expanded to other Group countries.

Enhanced passenger information

Transdev aims to make each journey a controlled and positive experience, by providing accurate information that is contextualized, coherent and meets passengers’ immediate needs. Passenger information is an essential component of the customer experience that guides and reassures users throughout their journey, regardless of the situation. Passenger information is the interface on the basis of which service quality is evaluated.

In France, a study was carried out into customer expectations for passenger information and related improvement tools, which resulted in the publication of a Passenger Information white paper in 2023. This white paper presents a summary of the vision and strategy for 2027 that is backed by a customer survey and field assessment and is aimed at public transit authorities and Transdev’s teams in the networks and in the head office.



“A happy passenger’s journey” campaign



Transdev Netherlands rewarded for its “Be In, Be Out” solution

At the 64th UITP Global Public Transport Summit held last summer in Barcelona, Transdev and its partner startup Mobyyou received the “Special Recognition Award” for their “Be In, Be Out” payment solution deployed on nearly 250 buses in Eindhoven.

ARR’IV is a program that embodies Transdev’s vision of passenger information at the service of users, teams and public transit authority partners.

The added value of this program is based on:

- repositioning passengers at the heart of passenger information projects, focusing on the needs they have expressed;
- supporting and assisting the ramp-up of the networks by defining standards, providing tools and launching continuous improvement initiatives;
- making passenger information accessible to all passengers in order to develop multimodal uses;
- promoting communities via all passenger information distributed.

The ARR’IV program capitalizes on the best practices of Transdev’s passenger information networks and converts them into standards that improve both the perceived and actual quality of passenger information throughout communities. A field survey of ten Transdev networks in 2022 identified some of these practices.

In addition, the Passenger Department conducted a qualitative study (focus groups, triads) and a quantitative study to gain a more in-depth understanding of customer expectations regarding passenger information. According to this study, 87% of passengers are satisfied overall with the passenger information provided on their network, and 73% say that a lack of information when disruptions occur can discourage them from taking public transportation. This study, which was particularly enlightening about passengers’ preferred information channels and how passenger information is used in a variety of settings and journeys, has enabled Transdev’s teams to draw on precise data to meet passengers’ needs.

Digitalization

Placing innovation at the service of passengers is a core concern of Transdev, as it ramps up the digitalization of the customer experience in order to enable passengers to move about freely under the best possible conditions.

In connection with its digitalization drive, the Group is focusing on two priorities:

- **internal digitalization:** applying innovation to develop tools for employees. One example is the MobiMe app, a connected solution for drivers that facilitates exchanges between operating entities and drivers, and involves drivers in the company’s overall performance;
- **external digitalization:** applying innovation to develop external tools for passengers. All over the world, the networks operated by Transdev have accelerated the development of electronic payment solutions, such as SMS tickets, M-tickets or open payment (use of a bank card as a ticket wallet), to facilitate the purchase of tickets and reduce the volume of disposable physical materials. In the Netherlands, the Mobyyou contactless payment solution, which is deployed on 250 electric buses in Eindhoven, allows passengers to travel without using a chip card or debit card, simply by using the cell phone in their pocket.

Support for the modal shift and active mobility

To reduce mobility-related CO₂ emissions in communities, switching from private cars to public transportation is a possible measure. To encourage this modal shift and adopt new forms of sustainable mobility, Transdev offers an effective and attractive range of services, in particular multimodal information systems that provide passengers with all information they need to complete their journey door to door, using several modes of transportation.

In France, in connection with LEMON®, the Mobility Experimentation Laboratory, a new electric bicycle and scooter service called “Captain Bike” was tested with the combined efforts of the Nantes metropolitan area, the Tan network and Transdev. This project addresses the last kilometer problem by linking the Chantrerie district, which is not serviced by public transportation, to nearby bus lines. This 24-month experiment produced some notable results. Three objectives were set:

- gaining a better understanding of users’ expectations and needs in relation to adopting micro-mobility by observing a selected community;
- assessing the degree of complementarity between micro-mobility and public transportation;
- identifying examples of modal shifting from private vehicles to collective mobility.

In 2023, the Group’s Marketing Department developed a new marketing plan focusing on modal shifting, which has already been tested in Mulhouse, France. Its goal is to reach a broader public, in particular motorists. The first stage of this plan is therefore to acquire greater understanding of the profiles, uses and practices in a specific sector. To encourage modal shifting by these potential users, a marketing campaign will be deployed using both direct and indirect channels, such as partnerships with companies in the automotive sector. In addition, the Group’s goal is to propose this marketing plan in all bids it submits in response to calls for tender.

Transdev actively supports the use of bicycles in communities. In France, a national partnership agreement has been signed with the French Cycling Federation. An initial project was set up in the city of Evian, which offers a cycling school to adults who have never biked, as well as lessons to cyclists who want to regain their confidence before biking on city streets.

In parallel, Transdev’s bicycle services have proved quite successful. Véligo Location is a long-term electric bicycle rental service offered by Île-de-France Mobilités, the public transit authority for the Île-de-France region. This service has been designed to encourage widespread adoption of cycling by enabling all Île-de-France residents to test the use of electric bicycles for their daily commute. It is currently operated by Fluow, a consortium created to bid on the Île-de-France Mobilités call for tenders, which comprises four French companies committed to active mobility: La Poste, Transdev, Velogik and Cyclez. Created in 2019, at the outset, Véligo Location had a fleet of 10,000 conventional electric bicycles. In 2021, 500 electric cargo bikes were added to Véligo Location’s fleet to meet the needs of all Île-de-France residents, including the 3,000 subscribers at the time. By 2023, 20,000 conventional electric bikes were available to the 73,000 subscribers in the Île-de-France region.

Innovation and collaborative movements

Each day, the Transdev Group works with community players to design new mobility models, encourage new use habits, and promote inclusive initiatives.

A culture of innovation is deployed within the company, focusing on 3 pillars		
PASSENGERS & INCLUSIVITY	EMPLOYEES	ENVIRONMENT
Seamless journeys, real-time information, reassuring passengers, developing intermodal uses	Recruiting, training, retaining, ensuring safety, developing performance	Decarbonizing the fleet, reducing energy use, protecting biodiversity

Building on this, Transdev has created a unique collaborative approach: LEMON®, the Mobility Experimentation Laboratory, which operates on a principle of shared innovation to design and test sustainable mobility solutions adapted to the local context.

This initiative is active in seven communities (Strasbourg, Montpellier, Nantes, Lens, Mulhouse, Villefranche-sur-Saône and the Rhône interurban area) and has jointly constructed over 30 experimental projects on various themes, such as shared mobility, accessibility of transportation, air quality, and access to employment.



The Bus School: a tool for assisting people with disabilities

In connection with the Mobility Experimentation Laboratory (LEMON®), Transdev conducted a set of experiments in Lens to promote use of the regular transportation network by people with disabilities.

To gain a full appreciation for the subject, better understand practices, and generate new ideas, a collaborative and citizen participation methodology was deployed that associated people with disabilities and their carers, and carried out immersion sessions in specialized institutes and escorted field trips.

Following these experiments, the Bus School concept was chosen. A facilitator invites a group of people with disabilities to experience a bus journey through a set of entertaining and lively activities lasting about one hour. The aim of the project is to enable these people to understand and become familiar with the key stages of a journey. They are also provided a personalized travel sheet with important information to keep in mind systematically for future journeys, and which is also useful for requesting assistance at branch offices or from other passengers.

A passenger’s booklet provides step-by-step instructions and advice, visual aids and easy-to-access content. In May and June 2023, five groups of people with various disabilities tested an initial version of the Bus School.

Since LEMON® was launched, these projects - carried out with local transit authorities and operators - have brought together over 70 partners and surveyed 5,000 users and citizens.

LEMON® is an innovative, standout and unique approach that brings together local authorities, local operators and Transdev. Due to its structured approach, collective governance, dedicated human and financial resources and community of expertise, it establishes a long-term shared commitment to innovating and experimenting over the entire term of the contract.

Access to transportation for all

Transdev endeavors to ensure access to public transportation for all people. In France, Transdev Group is partner of the Inclusive Mobility Laboratory (LMI). With the support of the French Ministry of Transportation, work has been carried out to implement the “#TousMobiles” program. It provides community players with the keys and tools they need to embark on the path of solidarity-based mobility. The LMI celebrated its tenth anniversary in October 2023, at the Climate Academy in Paris. On this occasion, the members of the LMI, including Transdev, published a joint statement, in which they pledged to redouble their efforts in the face of ecological and social emergencies and mobility-related challenges.

At the Linköping site in Sweden, a research project was launched for the purpose of developing a digital solution for passengers with vision disabilities. The project uses digital audio and tactile tools to communicate instructions to passengers about the arrival of the shuttle and its location on the platform.

In Morocco, Transdev Rabat-Salé signed a partnership agreement with Humanity & Inclusion to train ticket inspectors in best practices for dealing with passengers with disabilities.

In Harrogate, England, Transdev offers free travel on its buses for people with disabilities, with the aim of encouraging them to use public transportation. In Dunkirk, on the DK’Bus network, transportation on demand services are offered to seniors by the Etoile service, and to people with reduced mobility by the Handibus service. Since 2023, an app makes it possible to book Transportation On Demand (TOD) up to two hours before the trip.

In France, for the past two years, the teams of the STAS network (Transdev Saint-Étienne) have been working with passengers with disabilities, local associations and local authorities to ensure the network is accessible. In 2023, an SMS service was specifically designed to enable people with disabilities to report any anomalies during their journey. Designated lines in the network were taken by disabled and able-bodied two-person teams, and all aspects of accessible travel were analyzed: audibility, legibility of displays, height or presence of fare validation machines. **In Dunkerque**, on the DK’Bus network, transport-on-demand services (TOD) are available for senior citizens, via the Etoile service, and for people with reduced mobility via the Handibus service. Since 2023, an application has made it possible to book a TOD service up to two hours before the trip.

Combating fare evasion

The issue of fare evasion is a constant priority for the networks. Transdev has set up an anti-fare evasion plan based on the latest available technologies and involving all Group employees, including ticket inspectors and drivers, marketing (for tailored fare offers), maintenance, corporate support functions and senior management.

In 2022, Transdev France published the results of a national survey on preventing fare evasion. The survey targeted passengers directly, in order to understand fare evasion from passengers’ point of view and come up with possible means of action. In particular, the survey showed that a number of passengers expressed a desire to see a robust strategy put in place to combat fare evasion on public transportation. A significant share of passengers surveyed agreed that fare evasion undermines the quality and efficiency of transportation networks: 65% think it penalizes people who abide by the rules and who pay for fare dodgers.

81 %
of passengers feel
that fare evasion
is not acceptable
behavior

In the networks, teams in the field are taking direct action to combat fare evasion. In France, the SMILE training program deployed on the Reims network for all drivers, ticket inspectors and supervisory staff aims to help improve service quality and reduce fare evasion, by focusing on the essential keys to good customer relations. In Artois Gohelle, mediation teams are deployed on the network. Their role is to report any issues, inform customers and enforce the rules. They provide a dissuasive and reassuring presence on board vehicles, adopting an approach focused on dialogue, information, conflict management and on-board access.

Actions to raise passenger awareness and encourage validation of tickets are also regularly deployed, such as:

- The Switch program encourages fare dodgers to adopt proper behavior by giving them a choice of paying their fine or exchanging it for a transportation ticket on the network (subscription, 10-trip book of tickets);
- With the Transdev loyalty program “My Club”, passengers accumulate loyalty points with each trip, which they can use in our network of partner merchants. This program, which has been deployed in several networks in France (Saint-Etienne, Lens, Reims and Rouen), enhances the appeal of tagging on;
- In France, in Normandy, a day-long tagging on challenge converts these points into an act of solidarity in the form of a donation is made to an association;
- In 2023, Transdev Sweden created a partnership with the Berghs School of Communication, offering a group of students the opportunity to develop a communication campaign aimed at increasing ticket validation rates.

Ecological transition in communities

Faced with the challenges of climate change, public health and evolutions in work patterns, cities seek solutions to reduce these negative externalities, which means creating a new transportation paradigm: electric and shared solutions, bringing back trams, long-term rental bicycles, soft mobility and public transportation, all designed and combined to offer innovative intermodal uses.

The electrification of transportation networks has become a major issue for public transit authorities, which see it as a significant factor for a successful energy transition and for improving the quality of life in communities by reducing air pollution. Transdev supports local authorities in carrying out the energy transition of their fleets by deploying more efficient fleets using alternative energies (electric, hydrogen, hybrid, bioethanol) and sharing its unique expertise to help them make choices regarding infrastructure, technology and rolling stock. Transdev was the first operator to deploy a large-scale electric fleet in Europe with the operation, in 2017, of the Amsterdam region contract, representing Europe’s largest fleet of electric buses.

For example, this is the case in France, on the line linking Nice to Menton, where 18 articulated electric buses powered by inverted pantograph technology were placed in service in 2023. This is the busiest line in the Alpes-Maritimes region, with over 100 trips a day and average annual ridership of two million passengers.



Installing these pantographs made it possible to convert this flagship line to a fully electric line. Transdev’s choice of this technology provides ease of driving, help reduce air pollution at the terminals, as well as noise pollution, and contributes to efforts to constantly improve the quality of customer service.

The circular economy also plays an important role in the development of communities that are more sustainable and resilient and use fewer resources. Transdev takes this issue into

account throughout its supply chain, from the sorting of waste to its treatment, in accordance with regulations. Transdev has developed master contracts that enable entities to take advantage of national networks, thereby ensuring a standardized level of waste treatment – for example for the treatment of waste oils, aerosols, soiled rags.

Solidarity actions



The Transdev Foundation is the product of the Transdev Group’s roots at the heart of cities and communities and has been promoting the values of the company and its employees in the field of social mobility since 2002. In the cities and departments served by transportation networks that the company operates in France, the Transdev Foundation provides support to dozens of non-profit associations each year, striving to create a more open and inclusive society.

Since its creation in 2002, the Transdev Foundation has provided support for 393 projects.

In 2023, the Transdev Foundation Executive Committee chose 29 new projects of non-profits and made grants totaling €309,200 in support of culture, education, employment, health and sport. What these projects have in common is that they all aim to help vulnerable people integrate or reintegrate society and/or the workplace. These projects will reach nearly 8,000 beneficiaries.

€3.9M
The amount of grants
awarded by the Transdev
Foundation since its creation
in 2002.

Transdev Foundation’s six focus areas for action		
EMPLOYMENT	EDUCATION	CULTURE
SPORT	HEALTH	SOCIAL MEDIATION

In addition, solidarity initiatives tailored to local issues are deployed within Transdev’s networks. In 2023, Transdev Sweden donated eight buses to Ukraine. This donation was part of a series of relief actions initiated by the Group. In addition, a second donation of 23 additional vehicles for use as school buses for Ukrainian children was made following an initiative by the European Commission. In the United States, “Stuff-a-Bus” campaigns are held several times a year to collect school supplies for children in the summer and toys or supplies for the needy in the winter. Cities across the country from Phoenix to Baltimore and Las Vegas to New York participate in this effort.

Transdev Netherlands develops a procurement decision-making matrix

In the Netherlands, Transdev teams have developed a decision-making matrix that highlights the impact of certain sustainable issues, such as climate, environment, supply chain, diversity and inclusion, and social responsibility. The progressive application of this method to the purchasing process will enable the Group to continuously improve its purchasing practices for goods and services and help its suppliers take the necessary measures jointly. Transdev will thus ensure that its specific goals are consistent with its offers and suppliers.

Promoting long-term supplier relationships

The Group plays an important role in maintaining local networks and in the development of local economies. Transdev contributes to the vitality of communities through its purchasing decisions and supplier relationships. Beyond the mere purchase and supply of goods and services, Transdev endeavors to maintain lasting relationships with its suppliers on the basis of its commitments:

- Raising awareness among suppliers and subcontractors to sustainable initiatives.
- Ensuring they undertake to comply with the Group ethical principles.
- Taking into account their commitment to responsible business.
- Assessing the relationship with the suppliers.
- Verifying implementation of the policy in Group countries.

Transdev is also a signatory of the Responsible Purchasing and Supplier Relations Charter, which commits it to adopt responsible practices with regard to its suppliers, by raising awareness among all economic players of the issues inherent in responsible purchasing and the quality of customer-supplier relationships.

Sustainable Procurement policy

Implementing a sustainable procurement policy is also a tool for more robust risk management and improving business practices. New laws in America and Europe have imposed new obligations, such as the 2017 law that imposes a due diligence duty in France, and the 2021 law in Germany that requires companies to prevent risks arising from their own activities and those of the entities in their supply chain. To act consistently and in line its ethical approach, the Transdev Group must also comply with the requirements it places on its suppliers, and build balanced relationships with them. The Sustainable Procurement policy incorporates the Transdev Suppliers’ Charter, which Transdev requests suppliers to sign for any contract over 100,000 euros. Based on the Code of Conduct; it defines the scope of the collaboration, regardless of country or area of expertise, and reflects the Group’s various policies concerning ethics, compliance, human rights, labor, the environment, preventing corruption, money laundering and the financing of terrorism. By accepting the Charter, suppliers undertake to respect the Group’s expectations in this area and are prompted to follow these principles. In particular, the Suppliers’ Charter includes a paragraph that encourages the entire value chain, from its suppliers to tier 2 suppliers, to act with greater transparency.

A whistleblowing system enables any Group employee or external stakeholder, including suppliers, to report a non-compliance issue via the SpeakUp® platform, which is in direct contact with the Group’s Compliance Department.

Management of the approach

This Sustainable Procurement policy is deployed in accordance with a roadmap based on three pillars: carbon footprint, economic and social development of communities, and ethics and compliance.

The roadmap’s key objectives include a plan to reduce GHG emissions with targeted suppliers, increasing inclusive purchasing, and monitoring the CSR performance of strategic suppliers. Regarding inclusive procurement, a dashboard has been developed in France and shared with other countries that covers purchases from the disability sector, social integration, the Social and Solidarity-Based Economy (SSE), priority urban districts, and rural areas in need of revitalization.

At the monthly meeting of the Purchasing community, sustainable procurement is a key focus of the agenda. To ensure the active involvement of all stakeholders, a specific “Sustainable Procurement” awareness-raising module is included in the induction program for all Purchasing function new hires. A CSR focus is systematically included in the business reviews conducted with strategic suppliers.

Supplier selection and evaluation

In connection with the Group’s Sustainable Procurement policy, local teams apply supplier selection and evaluation processes that integrate social, societal and environmental performance criteria.

The criteria may cover general measures addressing respect for human rights, combating slavery, the implementation of environmental management systems, actions focusing on social aspects and inclusion as in Morocco, or criteria adapted to the local context, as in Australia with indigenous populations. In Sweden, the criteria focus on five areas: delivery and quality, billing, quality management system, environmental management system, code of conduct and social sustainability, as well as the environmental management system.

7.8 %
of 2023
expenditures
in France targeted
suppliers in the
inclusive sector

KPIs	2022	2023
Percentage of master contracts > €1 million that incorporate the Suppliers’ Charter	94.2 %	96.9 %

Key Performance Indicator

In 2023, Transdev’s purchases of products and services represented an average of €3.8 billion in the 6 largest countries, across more than 300 different purchasing families and with more than 50,000 suppliers.

In 2023, a rate of 96.9% was achieved due to the integration of the indicator in the quarterly reporting of the purchasing process, as well as its deployment in 11 of the Group’s major countries, thereby raising suppliers awareness among suppliers of Transdev’s responsible purchasing and ethical principles.

Key figures

Connexxion* was voted
2nd** most user-friendly
public transportation
company in the Netherlands
87%*** of passengers
in France are globally
satisfied with information
on their network

SATISFACTION

*Transdev's subsidiary in the Netherlands
**Source: results of a study of dutch passengers conducted in 2023 by MarketResponse (an independent market research agency).
***Source: National "Passenger Information" survey, 2022, Transdev Customer Direction

38,000
bicycles and scooters
operated**** in 22
communities in France

SOFT MOBILITY

****operated by Transdev or by companies in which Transdev is a shareholder

+150
experts attended the first
"Mobility Sphere" Forum

INFLUENCE

Achievements

Transdev commits to deploying the Mobility Fresco

In 2023, Transdev signed a partnership agreement with Les Shifters, an association that develops solutions to promote the carbon transition of the economy. Through this partnership, Transdev will contribute to deploying the Mobility Fresco in communities. Inspired by the Climate Fresco, this collaborative awareness-raising workshop focuses on the carbon challenges raised by people's mobility. In the field, some 30 Transdev volunteer facilitators will be mobilized to raise awareness among employees, citizens, companies and local authorities.

Transdev joins the Mobility Club

Transdev joined the Mobility Club in 2023. This acceleration platform for mobility players, which was launched in 2018 by Via ID, Mobivia's investment fund and startup accelerator for new forms of mobility, brings together major groups and startups around mobility issues. This collaboration will enable the Group to deepen its understanding of new mobility trends, explore innovation strategies and new business models in the mobility sector, and gain access to a European ecosystem of mobility startups. In this vein, in September 2023, Transdev and the Mobility Club jointly held an event on artificial intelligence (AI) and mobility to discuss possible scenarios for the actual medium- and long-term impact of AI on Transdev's activities.

Transdev involves its suppliers through the "Vision Scope 3" project

Several Group countries, including France, Sweden, the Netherlands, Germany and Australia, took part in the "Vision Scope 3" project to calculate GHG emissions across the entire value chain. Based on the work carried out in 2022 in France, the company has initiated discussions with key suppliers, such as bus manufacturers, identified areas for improvement, and formalized data reporting. Starting in 2024, the priority will be supporting the implementation of action plans established with strategic suppliers.

"The Mobility Sphere:" exploring and shaping the future of mobility in Europe



In 2023, Transdev launched "The Mobility Sphere", a European think tank led by Thierry Mallet, Transdev Chairman and CEO, and Antoine Grange, Group CEO Europe, that explores the future of mobility.

François Gemenne, an expert in environmental geopolitics and scientific advisor to the Intergovernmental Panel on Climate Change (IPCC), was appointed Scientific Advisor to ensure a solid approach.

By bringing together experts from the academic, public and private sectors, "The Mobility Sphere" aims to develop innovative solutions tailored to the needs of tomorrow's cities, and to encourage the transition to more livable and sustainable cities. Reflection is nourished by an online platform entitled "50

Questions for 2050", which addresses 50 key issues that will have a significant impact on mobility in European urban areas. The first "Mobility Sphere" Forum was held on October 4, 2023 in Amsterdam, on the theme "Decarbonized mobility, mobility for all: Transforming the way we move?"

Deployment of a multimodal offer in Portugal

Portugal launched the new Serra Shuttle service, linking Covilhã and Penhas da Saúde with the Serra da Estrela peak. This service provides residents with access to a multimodal transportation system that includes new buses and more routes, manages elevators, funiculars, bicycles, scooters and parking lots, and offers a mobile app that links all these modes of transportation.



Transdev signs a Manifesto for a more inclusive economy

The development of inclusive purchasing is an important aspect of Transdev's commitments. For this reason, in 2018, the Group joined the Corporate Collective for a More Inclusive Economy, in which Thierry Mallet, CEO of Transdev, co-sponsors the working group on inclusive purchasing. At its annual forum last October, the Collective unveiled a manifesto that aims to accelerate the development of inclusive purchasing. To achieve this goal, each company has undertaken to act so that the Collective as a whole increases by 30% purchases made from the Protected Worker Sector (STPA) and the Integration through Economic Activity Sector (SIAE) by 2025, and makes at least 200 million euros in inclusive purchases per year, the equivalent of over 5,000 full-time jobs. Progress towards these objectives will be evaluated annually.



VII. Transdev’s ethics and compliance approach

When performing their duties in the service of the common good, decisions and day-to-day actions of Transdev employees are guided by unwavering ethical principles. In line with its values, its ethical principles shape the image of the Transdev Group, contribute to the relationship of trust it builds with its various stakeholders, guide it when making choices, and ensure that its actions are consistent with its commitments.

FIELD	CHALLENGES	RISKS
<div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div> <div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div>	<ul style="list-style-type: none">• Business ethics• Risk management and transparency• Dialogue with stakeholders	<ul style="list-style-type: none">• Failure to respect human rights• Personal Data Breach• Corruption• Anti-competitive practices

Dedicated governance

At Group level, an Ethics and Compliance Committee, made up of the members of the Executive Committee and the Group Function Directors, meets twice a year. The Group’s Risk, Compliance and Internal Control Director chairs this committee, and reports twice a year to the Executive Committee and once a year to the Audit Committee.

The CEO of each country in which the Group operates appoints an ethics and compliance manager. This manager is tasked with effectively deploying the Group’s tools and requirements, and for ensuring that national requirements are taken into account. Every two months, the Group Compliance Department reviews the situation with each country’s compliance officer, and convenes a meeting of the entire network.

Transdev Code of Ethics

Transdev has adopted a formal Code of Ethics based on 21 principles. This code is available to all stakeholders, is deployed in all countries where the Group does business, and applies to all employees, regardless of their position in the company. This code is supplemented by specific measures that outline the Group’s vision and the organization it has set up to implement it.

Ethics and Compliance Management System

A review of ethical risks and an analysis of how they are handled prompted the Group in 2019 to supplement its ethics approach and to set up a global ethics and compliance management system (ECMS). It was validated by the Executive Committee and then by the Audit Committee, and is deployed by all countries based on Group requirements implemented at various levels of the organization:

- A network of ethics and compliance country officers, who report functionally to the Risk, Compliance and Internal Control Department, and who are tasked with effective deployment of the system;
- Compliance risk mapping;
- Prior due diligence concerning third parties (KYC – Know Your Counterparties);
- Training and awareness-raising of stakeholders;
- The ethics whistleblower system.

The ECMS periodic monitoring process includes an annual assessment exercise and second-level controls. It enables the Group and its governance to take stock of the overall ethics and compliance system. In 2023, controls were added to the Group’s internal control information systems to optimize consistency and efficiency.

Reports and alerts

In all Group countries, an ethics whistleblowing system is available to all stakeholders, including employees, which they can use to report incidents without fear of reprisal. Any breach, or attempted breach, of the Code of Ethics must be reported to a supervisor and/or to the Risk and Compliance Officer and/or to the General Counsel and/or through the ethics whistleblowing system accessible on the SpeakUp® platform.



The ECMS requires each country to set up an ethics whistleblowing system that protects whistleblowers. Ethics alerts are compiled in a semiannual report submitted to the Group and, for certain types of incidents the Group deems unacceptable (such as bribery or personal data protection breaches), the incident is reported immediately.

The “alerts and incidents” system ensures that any serious incident (human, environmental) is immediately reported and handled appropriately. The “Alerts and Incidents” and “Ethics Alert” systems enable the Transdev Group to identify, handle and monitor any non-financial risk that arises.

Actions deployed

Observing the fundamental human rights

Due to its business model and the location of its businesses, the Transdev Group’s exposure to human rights abuses, such as forced labor or child labor, stems primarily from the actions of third parties with which it works (suppliers, subcontractors). Other issues, such as harassment, discrimination or failure to respect freedom of association, may arise in the Group’s activities.

Since 2018, the Group has adopted a fundamental rights protection policy, which reiterates the Group’s operating principles:

- acceptable working conditions;
- acceptable working hours, wages, vacations;
- fair treatment (no harassment or discrimination, respect for privacy);
- freedom of association;
- refusal of forced labor and child labor;
- controlled impact of operations on local communities.

These principles, which are in line with the Group’s Code of Ethics, are implemented by the Group’s employees and managers, and are analyzed in connection with the approval process for significant projects (development, acquisition, divestment, organization) reviewed by the Group’s Commitment Committee.

Personal data protection

The Transdev Group interacts with more than 100,000 employees and nearly 12 million passengers each day. This involves handling large quantities of personal data, which must be protected and processed in the best interests of the various stakeholders.

The adoption of the General Data Protection Regulation (GDPR) has been an opportunity for the Group to implement a policy aimed at ensuring optimal and protected management of personal data. In addition to the European regulation, seven principles have been established that provide a common language across all geographical areas. They aim to provide effective protection of data subjects’ data and to optimize the management of their data. The Group thus examines the GDPR and deploys it internally as a tool for progress and not merely a regulatory constraint.

The “Data Privacy” process is supported by a network of Data Protection Officers (DPO) in European countries, and shall incorporate Data Protection Referents in all other European countries, to ensure that personal data is processed in accordance with the Group’s principles, such as data minimization, reliability and security, as well as local laws.

Depending on this local regulation, on the size and organization of the countries, DPOs or local contacts may be appointed.

The network of country DPOs meets periodically to share experiences, best practices and difficulties encountered, and to work to improve the system. Effective deployment of this approach is monitored on the basis of 12 criteria applicable to each entity and to groups of entities.

Fair competition

In 2023, Transdev adopted a fair competition policy for the Group. It explains the typical risks in this area and sets out the rules to be applied and actions to be avoided, thus ensuring that all employees are aware of how to act in accordance with the principles of fair competition.

This policy relies on existing networks (compliance, legal, internal control) to capitalize on mechanisms already in place. The policy highlights the key role played by management in compliance.

As has been the case for the anti-corruption and personal data protection policies, the fair competition policy will be the subject of a Group training campaign.

Combating tax evasion

The issue of combating tax evasion, an essential compliance matter, was given renewed prominence in 2023 with the implementation of a formal Group policy. This document sets out the Group’s objectives in this area: compliance with the laws, transparency in its relations with tax authorities, and tax risk management. It explains the central role of the tax function, which is represented at Group and country level.

Tax ethics

The Transdev Group does business in 19 countries, which has local economic impacts, such as job creation. The tax contribution (payment of taxes) is made in these countries and complies with local and international tax rules. In addition to corporate income tax, Transdev pays other contributions in the countries in which it does business: social security contributions, wage withholding taxes, taxes paid on goods and services (VAT, GST), local taxes, taxes on power supply, and other local taxes.

When the Group operates in countries where the corporate tax rate is lower than in France, it is able to prove that it is engaged in a genuine business activity and that it has economic substance in those countries.

Tax transparency

The Group maintains a professional and cooperative relationship of confidence with the tax authorities in the countries where it operates and communicates all relevant information in a transparent manner, in compliance with its legal and tax obligations.

For example, in 2019, Transdev in Australia obtained an excellent assessment from the Australian tax authorities in a “Top 1000 Streamlined Assurance Review” of the 2015-2018 fiscal years, particularly in the areas of transfer pricing, tax governance, tax risk management and reconciliation of tax and accounting results. The Group’s companies ensure that tax returns are

filed and payments are made in accordance with the local laws in force. In addition, the French tax authorities have accepted Transdev application to join a tax partnership with the objective of promoting transparency and collaboration between the company and the authorities.

Transdev tax conduct is consistent with international developments: OECD guidelines, the Base Erosion and Profit Shifting (BEPS) project, the Anti-Tax Avoidance Directive (ATAD), the DAC 6 Directive, which follows from the BEPS project. The Directive on the 15% minimum global tax was adopted in late 2022 and, after it is transposed into national law, will take effect on 1 January 2024. As they come within the scope of this new law, Caisse des Dépôts and the Transdev Group are working on implementing this new directive to ensure compliance with international law.

Each year, the Group prepares and publishes the following documents:

- Country-by-country reporting (CBCR) since 2016;
- Transfer pricing documentation prepared in accordance with tax authorities and Action 13 of the BEPS project.

Fight against corruption

The Transdev Group generates a significant share of its revenue from public authorities through calls for bids. It is therefore exposed to the risk of bribery of public officials and influence peddling, which, in some cases, could take the form of inappropriate sponsorship actions for example.

Compliance by all stakeholders is at the core of the Group’s ethics approach. Transdev has therefore adopted a principle of zero tolerance for bribery and influence peddling. It has drafted a specific code of conduct, which is supplemented, whenever necessary or of use, by appropriate procedures, in particular concerning sales intermediaries.

The anti-corruption approach is deployed through a network of country Ethics and Compliance officers and focuses on providing training to employees. Each manager in the Group must complete an e-learning course. This course goes over and explains the Group’s demanding standards, the procedures in effect, including the ethics whistleblowing system, and the possibility for each individual to contact management and the functional departments if they need help, information or explanations.

In past years, certain Group subsidiaries were investigated by local administrative or judicial authorities. The Transdev Group monitors each of these potential incidents and systematically cooperates with the authorities.

The Group regularly reminds its employees of its commitment to ethics, integrity and the absolute necessity to combat all forms of corruption.

In 2023, the Risk, Compliance and Internal Control Department assisted each country to update and expand its mapping of corruption risks, before establishing a consolidated version. Action plans have been identified and implemented. Their gradual implementation will enhance the effectiveness of the system.

Key Performance Indicators

KPIs	2022	2023
Annual percentage of projects approved by the GEC* for which human rights risks have been assessed and reduced to an acceptable level ⁽¹⁾	85.7 %	96.3 %

*GEC : Group Engagement Committee

⁽¹⁾ Failure to respect human rights in the supply chain (forced labor and child labor), failure to respect freedom of association, discrimination, harassment

The actions carried out in 2023 have significantly improved the ratio and increased coverage to nearly 96%. The information collected at the beginning of 2024 made it possible to finalize the analysis and reach 100% of the projects assessed in 2023.

KPIs	2022	2023
Share of countries covered by a personal data protection officer compared to the total number of countries in the consolidation scope	94.1 %	94.4 %

The Group has Data Privacy officers in nearly every country, particularly in Europe, which ensures proper coverage of this issue. Achieving a rate of 100%, which remains the target, may prove difficult due to changes in the consolidation scope and mobility within the Group.

KPIs	2022	2023
Percentage of managers trained in anticorruption measures every sliding 3 years (Group Top Executives & Top Managers scope)	81 %	78.5 %

The data collection rate slightly decreased, mainly due to the integration of First Transit employees during the year. These employees were sensitized as part of the integration process, and received training early 2024. 90% of managers had received anti-corruption training by January 31, 2024.

VIII. Monitoring non-financial performance

Methodological note

Method used to develop the business model

The business model highlights the methods for creating and preserving value over the long term through the service offers. It reflects the Group's strategic vision.

The business model is the product of the joint efforts, at the Group level, of the Legal, Finance, Risk and Compliance Department and the Transformation and Strategy Department.

Method used to identify the main non-financial risks

Transdev implements a global risk management policy throughout the Group intended to identify, assess and prioritize material adverse events that could impact it. Depending on the Group's risk appetite, potential events are handled in order of importance to reduce them to an acceptable level.

This methodology takes into account all risks and activities. It is based on a field viewpoint, which is consolidated, reviewed and adjusted at the Group level.

To analyze non-financial risks, this operating method was applied with an additional level of detail and specific requirements. For each family of risks (environment, safety, social, fundamental rights), scenarios were defined in conjunction with the relevant experts of the Group and from certain countries in an effort to ensure completeness. These scenarios were compiled into a list shared with all Group contributors in order to ensure their relevance and consistency.

In each Group countries, all scenarios were analyzed and evaluated in terms of impact and probability and, if applicable, the control systems in place and additional action plans were discussed. These analyses were then consolidated by the Risk Department into a proposed hierarchy by risk category. These were then reviewed by the relevant Group experts to arrive at the risks of each category. Lastly, the entire analysis was presented to the Executive Committee for final review.

The risk analysis is updated each year to take into account changes in the Group, its business and its environment. The analysis conducted for 2023 did not discover any new risks to be taken into account.

Reporting scope

The consolidation scope of non-financial information is the same as that used to prepare the consolidated financial statements. This non-financial information is then consolidated applying the method used to integrate the company into the Group's consolidation scope:

- the non-financial data of fully consolidated companies is included in full during the period they are consolidated;
- the non-financial data of companies consolidated using the equity method (joint ventures and associates) is not included.

In 2023, the entities added as a result of the Transdev Group's acquisition of First Transit were included in the scope of social, health and safety, security, purchasing and ethics indicators. The proportion of First Transit employees in the Group headcount is 16.4%. The environmental scope does not include data from First Transit entities in the United-States. They will be gradually added in 2024.

Reporting methodology

The CSR Department coordinates and leads the entire process for the non-financial performance declaration (NFPD). Each department is responsible for its own indicators, which the CSR Department centralizes for inclusion in the NFPD. Information is collected and consolidated using the following two methods:

- Data may be collected and reviewed by the sites and then consolidated, for example for HR, environmental, health/safety and security indicators;
- Data may be processed centrally, as is the case for procurement and ethics indicators.

Carbon footprint methodology

The carbon footprint is measured out in accordance with the standards and recommendations of the Greenhouse Gas Protocol (GHG) and the French Ecological Transition Agency (ADEME). This measurement covers all entities controlled by Transdev that have been in operation for at least six months and are included in the financial scope.

The environmental report covers the following categories or scopes of emissions:

- **Scope 1:** direct emissions from vehicles and infrastructure by combustion or leakage within the organizational scope;
- **Scope 2:** indirect emissions associated with the production of electricity, heat or steam acquired for the organization's activity;
- **Scope 3:** other emissions included in Scope 3 are calculated for the first time for France only.

Transdev has performed a complete calculation of all Scope 3 categories for one country and for all of the Group's modes of transportation. This calculation identified the following categories as significant: 1. *Purchased goods and services*, 3. *Fuel and energy related activities*, 6. *Business travel*, 7. *Employee commuting*, 8. *Upstream leased assets*. These categories, which cover over 95% of Scope 3, are currently being rolled out in all Group countries, which will collect the relevant data annually. Emissions are calculated on the basis of the emission factors provided by ADEME and the GHG Protocol.

Breakdown of emission factors

GHG emissions are calculated on the basis of energy consumption, to which CO₂ equivalent emission factors are applied.

To ensure that carbon emission figures are transparent and consistent, GHG emission factors are taken from the following databases:

- ADEME's "Base Empreinte" 2023 database for global emission factors;
- DEFRA 2023 database or other national databases for local emission factors that differ significantly from "Base Empreinte" factors;
- IEA database for the carbon intensity of electricity mixes, using a location-based approach;
- IEA database for the carbon intensity of electricity contracts, using a market-based approach;
- "2019 Refinement to the 2006 IPCC Guidelines for National GHG Inventories" for refrigerants.

In addition, pollutant emissions are calculated on the basis of kilometers traveled, to which are applied the NO_x, PM, CO and HC emission factors measured by ADEME in the "Overview and Evaluation of Various Urban Bus Sectors" study for Euro II to VI engines. Due to a lack of data, emission factors for Euro 0 and Euro I engines reflect Euro II data.

Indicators and benchmark year

- **Alternative fleet:** non-diesel buses and coaches (CNG, biogas, electric*, biofuel, hydrogen).
- **Zero emission fleet:** fleet that produces zero carbon dioxide exhaust emissions as defined in the Taxonomy (annex 1 of the delegated acts). The zero-emission fleet includes electric and hydrogen-powered buses and coaches.

Due to a software upgrade that did not permit updating the 2017 data and the updating of emission factors, 2018 replaces 2017 as the benchmark year.

Due to uncertainties about the emissions of the marine fleet, the carbon emissions per 100 km indicator is monitored for the non-marine fleet, which accounts for 95% of the fleet's total emissions. Local pollutant indicators are calculated for the road vehicle fleet (internal combustion engine), including buses and coaches.

List of key performance indicators and definitions

The following list includes the main key performance indicators audited in connection with the non-financial performance declaration.

*Procurements of green certificates are associated with electric fleets in countries where this is possible.

Absenteeism rate: measures the total number of calendar days of absence between 12/31/2022 and 12/31/2023 for all employees for the following reasons:

- Illness (regardless of type or duration);
- Parental leave (maternity, paternity or adoption);
- Family reasons;
- Other reasons (excluding vacation, parental leave, training, labor union duties, military service, long-term unpaid absences).

It is calculated as follows: (Total calendar days of absence – total days of absence due to illness, parental leave, family reasons and other reasons) ÷ total workforce at 12/31/2023 × 365.

Employee turnover rate: measured on the basis of the company's workforce on permanent (or equivalent) contracts. It is calculated as follows: [Total departures of employees on permanent contracts in 2023 – (departures of employees on permanent contracts due to a layoff plan (including loss of a contract) + departures of employments on permanent contracts due to a transfer + departures of employees on fixed-term contracts)] ÷ workforce on permanent contracts as of 12/31/2023.

Percentage of employees who received at least one training course during the year: equal to the number of employees who received at least one training course, whether in-house or outside the company, between 12/31/2022 and 12/31/2023 out of the total workforce as of 12/31/2023.

Percentage of women in Top Executive positions: equal to the number of women in Top Executive positions out of all Top Executive positions held. The Top Executives are the company's highest managerial circle (excluding the Executive Committee).

Percentage of employees who have had an annual interview: measured for Group Top Executives and Top Managers.

GHG emissions kg/100 km traveled: equal to the greenhouse gas emissions generated by the energy consumption of the Group's non-maritime fleet, expressed in kilograms of CO₂ equivalent per 100 km traveled.

Alternative fleet rate: the ratio of the number of non-diesel buses, coaches and trolley buses that use CNG, biogas, electricity, biofuel and hydrogen to the total number of buses, coaches and trolleybuses.

Pollutant emissions g/100 km traveled: equal to the emissions of carbon monoxide (CO), nitrogen oxide (NO_x), particulate matter (PM) and hydrocarbons (HC) emitted by the Group's diesel-powered road vehicle fleet.

Rate of entities that experienced accidental pollution during the year: equal to the number of entities that experienced accidental pollution in 2023 out of all Group entities.

Lost time injuries frequency rate: measures the number of lost-time work accidents among Group employees. Lost-time work accidents are defined as accidents resulting in at least one full day's absence from work (excluding commuting accidents). Occupational illnesses, commuting accidents and relapses are excluded.

It is calculated as follows: (Number of lost-time work accidents ÷ total number of hours worked) × 1,000,000.

Lost time injuries accident severity rate: This rate measures the severity of accidents by calculating the total number of days lost due to workplace accidents (excluding the day on which the workplace accident occurs). Commuting accidents are excluded.

It is calculated as follows: $(\text{Number of days lost} \div \text{total number of hours worked}) \times 1,000$.

Major accident rate: the number of major accidents based on the total number of kilometers traveled by the Group's fleet.

It is calculated as follows: $(\text{Number of major accidents} \div \text{total number of kilometers}) \times 1,000,000$.

A major accident is an accident with one fatality and/or three injured people transported to the hospital from the scene of the accident. Suicides, natural deaths and subsequent deaths are excluded.

Lost time injuries frequency rate due to assault: measures the number of lost-time work accidents due to the physical or verbal assault of a Group employee.

It is calculated as follows: $(\text{Number of lost-time work accidents due to assault} \div \text{total number of hours worked}) \times 1,000,000$.

Lost time injuries severity rate due to assault: measures the severity of workplace accidents due to the physical or verbal assault of a Group employee.

It is calculated as follows: $(\text{Number of days lost due to assault} \div \text{total number of hours worked}) \times 1,000$.

Rate of physical assaults on passengers: equal to the number of physical assaults on passengers based on the total number of kilometers traveled. A passenger is defined as a person who travels using the company's transportation services.

This rate is calculated as follows: $(\text{Number of physical assaults on passengers} \div \text{total number of kilometers}) \times 1,000,000$.

Percentage of master agreements > 1 million euros incorporating the Suppliers' Charter: equal to the ratio of the number of master agreements with a value over 1 million euros incorporating the Group's Suppliers' Charter to the total number of master agreements. The Transdev Suppliers' Charter, based on the Code of Conduct, defines the scope of the collaboration, regardless of country or area of expertise, and reflects its various policies concerning ethics, compliance, human rights, labor, the environment, preventing corruption, money laundering, the financing of terrorism. By accepting the Charter, suppliers undertake to respect the Group's expectations in this area and are prompted to follow these principles.

Percentage of managers who receive anti-corruption training over a rolling 3-year period: equal to the number of managers out of all Group Top Managers and Top Executives who have completed the anti-corruption e-learning course over the last three years.

Annual percentage of projects approved by the GEC: equal to the number of projects approved during the year by the Group Commitment Committee.

Percentage of countries covered by a personal data protection officer: equal to the number of countries with a personal data protection officer out of all countries in which the Group operates.

Indicators developed or changed in 2023

Ethics and compliance: there was a change in 2023 in the calculation of the percentage of managers who receive anti-corruption training over a rolling 3-year period. It was originally calculated on the basis of all Group managers, but now focuses on the Group's Top Managers and Top Executives. This new scope, although smaller than the previous one, focuses on employees in decision-making positions, particularly with regard to customers and suppliers. It is also consistent with the Group's human resources management procedures. However, each country is still responsible for rolling out Group training courses to all its managers.

Verifications carried out of the Group's social, environmental, procurement, health, safety and security reporting systems

Each year, definition references are shared with the network of contributors and any changes shared and explained by the contributors are made following discussions, prior to the launch of reporting campaigns in order to ensure, to the extent possible, that they properly understand which data is expected and that this information is reliable.

The quality of non-financial information is a priority for the Group and, therefore, our teams are engaged in continuous data quality improvement process. In all countries, optimization initiatives have been deployed by activating all available tools in the information production chain: exhaustive and reliable data sources, modernized data collection architectures, effective use and reporting of information, ensuring data consistency at the Group level.

Combating food waste and food insecurity, and ensuring animal welfare and responsible, equitable and sustainable food production

As of the date of this document, Transdev has no knowledge of any actions to combat food waste and food insecurity or to ensure animal welfare. Although these are important issues, they do not concern the Group's business sector.

Transdev strives to ensure responsible, equitable and sustainable food production through agreements entered into with the company catering service provider which:

- Offers consumers healthy life choices and encourages them to follow them;
- Promotes local development and equitable, inclusive and sustainable business practices;
- Is a responsible buyer and provides management services that reduce carbon emissions.

Monitoring of our non-financial performance

	CHALLENGES	SIGNIFICANT RISKS	POLICIES AND ACTION PLANS	COMMITMENTS	KPIS	TARGETS
ENVIRONMENT	<ul style="list-style-type: none">Decarbonization of our fleet and zero emissionsLocal pollution from transportation and operationsSustainable and circular use of resourcesGlobal carbon footprintPreserving biodiversityEnergy transition of operationsResilience to climate change	<div>Gradual air pollution</div> <div>Regulatory and contractual non-compliance in environmental matters</div> <div>Accidental / Gradual ground pollution</div>	Environmental policiy + Actions and programs in support of the energy and ecological transition and to combat climate change	Contributing to the reduction of CO ₂ emissions in local areas.	GHG emissions kg/100km travelled	Reduce the carbon intensity of the fleet by 30% by 2030 (base year: 2018)
				Reducing congestion and contribute to preserving air quality.	Pollutant emissions g/100km traveled	Decrease compared to year “N-1”
				Increasing the non-diesel fleet.	Alternative fleet percentage: road vehicle fleet (CNG, biogas, electric, biofuel, hydrogen)	50% increase in the alternative fleet by 2030 (base year: 2018)
				Commitments made to communities through partnerships to contribute to preserving biodiversity.	Rate of entities that experienced accidental pollution during the period	Decrease compared to year “N-1”
PASSENGERS	<ul style="list-style-type: none">Passenger experience and informationFinancial, physical and geographic accessibilityInter- and multimodalityHealth, safety and security of passengersDigitalization of transportation servicesDeveloping and promoting public transportation	<div>Serious train and bus accidents</div> <div>Assaults on passengers Terrorist attack</div>	Health and Safety Policy	<ul style="list-style-type: none">Strengthening governance and compliance, improving health and safety performance.Applying strict sanitary measures in vehicles and stations to combat Covid-19 to ensure the safety of passengers and the public.Implementing all resources necessary to protect the health, safety, security and tranquility of passengers.	Major accident rate	Each day, Transdev does everything possible to achieve our goal of zero accidents.
			Security Policy		Rate of physical assaults on passengers	Ensuring a safe travel environment
EMPLOYEES	<ul style="list-style-type: none">Working conditionsHealth, safety and security of employeesDiversity, inclusion and equal opportunitiesDeveloping talent and careersAttraction and retention of employeesEngagement and awareness raising of employees	Workplace accidents	Health and Safety Policy	<ul style="list-style-type: none">Strengthening governance and compliance, improving health and safety performance.Promoting a positive and proactive culture of well-being and safety.Implementing all resources necessary to protect the health, safety and security of employees and subcontractors.	Lost time injuries frequency rate	Annual performance targets
					Lost time injuries severity rate	
		Assaults on employees Terrorist attack	Security Policy		Lost time injuries frequency rate due to assault	Ensuring a safe travel and work environment
					Lost time injuries severity rate due to assault	
		Absenteeism and low employee commitment (including psychosocial risks)	Drivers@Transdev program + Talent Management and Learning Programs + Diversity and Inclusion Program	<ul style="list-style-type: none">Attracting the best talent by enhancing the appeal of our professions.Supporting the development and well-being of employeesImproving and enhancing social dialogue.Promoting social diversity and parity at all levels of the company.	Absenteeism rate	At least 80% of employees who have received one training course/year
					Employee turnover rate	
COMMUNITIES	<ul style="list-style-type: none">Partnership with local actorsEconomic and social developmentPromoting education, arts and cultureHealth, safety and security of third parties and communitiesHeritage preservationPhilanthropy	CSR claims against a supplier	Sustainable Procurement policy	<ul style="list-style-type: none">Raising awareness among the suppliers and subcontractors to sustainable initiatives.Ensuring they undertake to comply with the Group ethical principles.Taking into account their commitment to responsible business.Assessing the relationship with the suppliers.Monitoring implementation of the Sustainable Procurement policy in Group countries.	Percentage of master contracts > 1 million euros that incorporate the Suppliers’ Charter	Incorporation of the Suppliers’ Charter into all contracts with a value over 1 million euros.
GOVERNANCE	<ul style="list-style-type: none">Business ethicsRisk management and transparencyDialogue with stakeholdersProcurement and logistics management	Failure to respect human rights	Fundamental rights policy + Data Privacy Policy + Ethics and Compliance Management System (ECMS)	Enabling all employees to exercise their whistleblowing rights without fear.	Annual percentage of projects approved by the GEC* for which human rights risks have been assessed and reduced to an acceptable level	100% of projects approved by the GEC
		Personal Data Breach		Protection of stakeholders' personal data.	Share of countries covered by a personal data protection officer compared to the total number of countries in the consolidation scope	100% of countries covered
		Corruption		Zero tolerance for corruption	Percentage of managers trained in anti-corruption measures every sliding three years	100% of managers trained at least every three years
		Anti-competitive practices		Currently covered by Transdev’s ECMS		

* Group Engagement Committee











2023 results

Focuses	KPIs	Results 2022	Results 2023	Trends 2023	Targets
Environment	Rate of entities that experienced accidental pollution during the year	1.25 %	1.84 %	↗	Decrease compared to year "N-1"
	GHG emissions kg/100 km traveled (excluding maritime activities)	85.7	79.6	↘	Decrease emissions by 30% by 2030
	Alternative fleet percentage: road vehicle fleet (CNG, biogas, electric, biofuel, hydrogen)	17.1 %	18.1 %	↗	Increase the alternative fleet by 50 % by 2030
	Pollutant emissions g/100km traveled	CO NO _x MP HC 41.2 825.2 4.3 10.8	27.3 725.8 3.2 5.5	↘	Decrease compared to year "N-1"
Responsible procurement	Percentage of master contracts > 1 million euros that incorporate the Suppliers' Charter	94.2 %	96.9 %	↗	100%
Safety	Lost time injuries frequency rate	20.68	16.65	↘	Decrease compared to year "N-1"
	Lost time injuries severity rate	2.19	1.77	↘	Decrease compared to year "N-1"
	Major accident rate	0.03	0.03	=	Decrease compared to year "N-1"
Security	Lost time injuries frequency rate due to assault	3.10	2.47	↘	Decrease compared to year "N-1"
	Lost time injuries severity rate due to assault	0.42	0.37	↘	Decrease compared to year "N-1"
	Rate of physical assaults on passengers	1.03	0.37	↘	Decrease compared to year "N-1"
HR	Absenteeism rate	8.1 %	6.8 %	↘	Decrease compared to year "N-1"
	Employee turnover rate	24.0 %	23.0 %	↘	Decrease compared to year "N-1"
	Percentage of employees who received at least one training course during the year	83.9 %	97.9 %	↗	80% of the employees
	Percentage of employees who have had an annual interview (Group Top Executive and Top Managers scope)	82.9 %	91.3 %	↗	100%
Diversity, equity and inclusion	Percentage of women among Top Executives	26 %	23.3 %	↘	34% women among Top Executives by 2030
Fundamental rights	Annual percentage of projects approved by the GEC ⁽¹⁾ for which human rights risks have been assessed and reduced to an acceptable level	85.7 %	96.3 %	↗	100%
Personal data protection	Share of countries covered by a personal data protection officer compared to the total number of countries in the consolidation scope	94.1%	94.4 %	↗	100%
Anti-corruption training	Percentage of managers trained in anti-corruption measures every sliding three years (Group Top Executive and Top Managers scope)	81 %	78.5 %	↘	100% (every three years)

(1) Group Engagement Committee

All results are calculated based on the consolidated financial scope, with the exception of environmental indicators, which exclude data from First Transit United States.

Contribution to the United Nations Sustainable Development Goals

SDG	TARGET	TITLE	TRANSDEV’S CONTRIBUTION	CORRESPONDING SECTION
 <div>3GOOD HEALTH AND WELL-BEING</div>	3.6	By 2020, halve the number of global deaths and injuries from road traffic accidents	Transdev deploys a Safety policy and a Security policy in all countries where it operates. Health, safety and security are paramount priorities. They are the essential foundation for the trust the employees, passengers and communities the Group serves place in Transdev.	Transdev, commits to safe mobility
	3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination		Transdev, a sustainable mobility player
 <div>5GENDER EQUALITY</div>	5.5	Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Transdev is committed to promoting respect for fundamental rights. Persuaded that diversity and inclusion are performance catalysts, through its Group-wide Diversity, Equity and Inclusion program the Group aims to create a work culture where individual differences are understood, anticipated, valued and capitalized on.	Transdev, a responsible employer
	5.c	Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels		
 <div>8DECENT WORK AND ECONOMIC GROWTH</div>	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors	Transdev deploys a policy to promote respect for fundamental rights and a vigilance plan. The Group is attentive to the needs of all its employees, and social dialogue is at the heart of its human resources policy. Transdev also promotes social and economic inclusion by working with local organizations in the communities where the Group does business.	Transdev, commits to safe mobility
	8.2	Protect workers’ rights, promote safe and secure working environments and protect all workers, including migrants, especially women, and those in precarious employment		Transdev, a responsible employer Transdev’s ethics and compliance approach
 <div>9INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>	9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	Transdev deploys environmental commitments and an Environmental Management System. Transdev develops and promotes clean, autonomous and electric mobility solutions. Transdev provides intelligent financing solutions to support the ecological transition	Transdev, the partner of communities
				Transdev, a sustainable mobility player
 <div>10REDUCED INEQUALITIES</div>	10.3	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Transdev deploys an ethics and compliance management system and a policy to promote respect for fundamental rights. We make public transportation a tool for promoting social cohesion by adopting universal and inclusive mobility solutions. Transdev has established apprenticeship programs to develop its talents, as well as a diversity and inclusion program	Transdev, a responsible employer
				Transdev’s ethics and compliance approach
 <div>11SUSTAINABLE CITIES AND COMMUNITIES</div>	11.2	By 2030, provide access to safe, accessible, reliable and affordable transportation systems for all. Improve road safety, notably by expanding public transportation, with special attention to the needs of those in vulnerable situations, women, children, people with disabilities and older people.	Transdev helps communities become resilient by working closely with local players to design tomorrow’s mobility. The Group connects mobility offers and ensures efficient modal shifting. Transdev deploys an environmental policy and a Sustainable Procurement policy in order to provide safe, efficient and innovative solutions for the common good	Transdev, the partner of communities
	11.3	By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries		Transdev, a sustainable mobility player
	11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and waste management, especially at municipal level		
 <div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div>	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	As an economic and social actor, Transdev also contributes to the development of communities through its relationships with suppliers. The Sustainable Procurement policy, which was adopted at the Group level, establishes common criteria for purchasing and procurement, as well as environmental protection and economic and social development requirements in the communities where the Group does business	Transdev, a sustainable mobility player
	12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment		
 <div>13CLIMATE ACTION</div>	13.2	Integrate climate change measures into national policies, strategies and planning	Transdev deploys an environmental policy and is committed to a more ecological and cleaner mobility. The Group improves customer experience in order to accelerate the shift from private cars to alternative solutions. Transdev is also committed to working with local authorities to achieve the ecological transition	Transdev, a sustainable mobility player
	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning		
 <div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	16.5	Integrate climate change measures into national policies, strategies and planning	Transdev deploys an Ethics and Compliance Management System and a policy to promote respect for fundamental rights. The Group’s ethical principles contribute to the relationship of trust it builds with its various stakeholders. They guide the Group when making choices and ensure that its actions are consistent with its words.	Transdev’s ethics and compliance approach
	16.10	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning		
 <div>17PARTNERSHIPS FOR THE GOALS</div>	17.17	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	When performing its duties in the service of the common good, the decisions and day-to-day actions of the Group are guided by unwavering ethical principles. Transdev promotes social ties through the Transdev Foundation and develops local partnerships in the communities it serves. In 2003, Transdev became a Global Compact partner and reaffirmed its support for the principles of the United Nations Global Compact	Transdev, the partner of communities
				Transdev’s ethics and compliance approach

Taxonomy appendix

Application of the European Union's Taxonomy of Sustainable Activities Regulation

Regulation (EU) 2020/852 of June 18, 2020 establishes a framework, known as the “Taxonomy”, to facilitate sustainable investment in the European Union and thus advance the climate and environmental objectives of the European Green Deal. This regulation, which is supplemented by various delegated acts, lists economic activities and the criteria for classifying them as sustainable.

Transdev is aware of the responsibilities its activities confer on it, but also of its ability to make a positive contribution to the ecological transition, and anticipating the Corporate Sustainability Reporting Directive. It presents the share of its activity that is Taxonomy-eligible and aligned (revenue and capital expenditures (CapEx) on transportation equipment), in line with climate change mitigation and adaptation objectives.

For contracts with public transportation authorities, which account for the majority of the Group's activities, the equipment meets the specifications set by them. For many years, Transdev has been actively committed to working alongside them to energy transition in public transportation. Transdev's “Moving Green” strategy is described in the chapter “Transdev, a sustainable mobility player”.

The scope covers consolidated entities as of December 31, 2023, with the exception of the First Transit group, which was acquired on March 6, 2023 (the Group's environmental reporting requirements will apply starting in 2024).

1. Summary of climate change mitigation and adaptation objectives

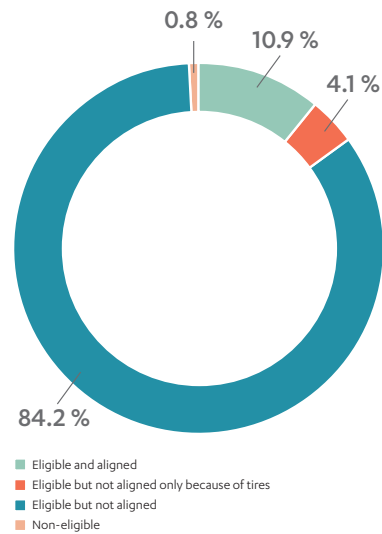
The table below summarizes the eligibility and alignment percentages for revenue and capital expenditures on transportation equipment, in line with climate change mitigation and adaptation objectives.

(€ millions)					
		Revenue		CapEx, transport equipment ⁽²⁾	
		2023	%	2023	%
Eligible and aligned ⁽¹⁾	CCM	887.1	10.9%	28.6	8.7%
Eligible but not aligned because of the tire criteria	CCM	337.3	4.1%	50.7	15.4%
Eligible but not aligned	CCM	6 863.3	84.2%	241.0	73.4%
Total eligible	CCM	8 087.7	99.2%	320.3	97.5%
% aligned /eligible			11.0%		8.9%
Total non-eligible		65.5	0.8%	8.3	2.5%
TOTAL EXCLUDING FIRST TRANSIT		8 153.2	100.0%	328.6	100.0%
First Transit (acquisition in 2023)		1 176.4		92.4	
TOTAL		9 329.6		421.0	

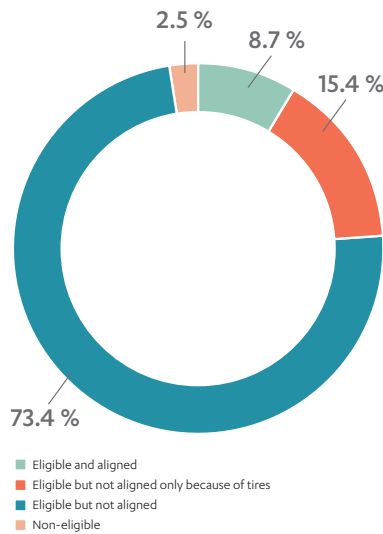
⁽¹⁾ Activity operating electric, hydrogen vehicles or bi-mode for the 6.1 activity "Passenger interurban rail transport" (Euro VI technical criterion not applied for the interurban activity 6.3 "Urban and suburban transport, road passenger transport").

⁽²⁾ Excluding operating financial assets resulting from the application fo the IFRIC 12 interpretation "Service Concession Arrangements".
After deduction of investment grants.
Including CapEx from business combinations that took place during the fiscal year.

2023 revenue (without First Transit)



2023 Transport CapEx (without First Transit)



2. Key Taxonomy principles

The Taxonomy is a classification system that establishes a framework for determining what economic activities are considered sustainable.

To be considered sustainable or aligned, an activity must meet all three of the following conditions:

- make a substantial contribution to one of the six environmental objectives listed below, meeting specific technical criteria;
- do no significant harm to the other five objectives (“Do No Significant Harm” principle);
- comply with minimum safeguards in the areas of human rights, anti-corruption, and compliance with competition law and tax regulations.

6 environmental objectives	4 cumulative criteria to be considered sustainable
<div>1. Climate change mitigation</div> <div>2. Climate change adaptation</div>	<div>1. Eligibility Activity covered by the Taxonomy</div>
<div>3. Sustainable use and protection of hydrological and marine resources</div> <div>4. Transition to a circular economy</div> <div>5. Pollution prevention and reduction</div> <div>6. Protection and restoration of biodiversity and ecosystems</div>	<div>2. Substantial contribution to one of the six environmental objectives Compliance with the technical criteria</div>
	<div>3. No collateral impacts on the five other environmental objectives Compliance with the Do No Significant Harm (DNSH) criteria</div>
	<div>4. Compliance with minimum safeguards Human rights, anti-corruption, taxes and fair competition</div>

3. Activities eligible under the climate change mitigation objective

An activity is considered Taxonomy-eligible if it is included in the Taxonomy Regulation delegated acts, which list activities that have the potential to make a substantial contribution to at least one of the six environmental objectives (see Note 2).

In 2023, the main activities eligible for the climate change mitigation objective are as follows:

- CCM 6.1 “Passenger interurban rail transport”;
- CCM 6.3 “Urban and suburban transport, road passenger transport”;
- CCM 6.5 “Transport by motorbikes, passenger cars and light commercial vehicles”;
- CCM 6.7 “Inland passenger water transport”;
- CCM 6.14 “Infrastructure for rail transport”;
- CCM 6.15 “Infrastructure enabling low carbon road transport and public transport”;
- CCM 6.20 “Air transport ground handling operations”.

Revenue

99.2 % of revenue in 2023 (excluding First Transit) is eligible under the climate change mitigation objective. Non-eligible activities are primarily holding company activities.

This very high level of eligibility reflects the significant actions taken by the Group to reduce its global carbon footprint, which is a fundamental pillar of its CSR trajectory (see chapter “Transdev, a sustainable mobility player”).

CapEx (transportation equipment)

Nearly all transportation equipment CapEx are eligible under the climate change mitigation objective.

4. Activities eligible under the climate change mitigation objective

Technical criteria

The terms “zero emission” and “no emission” describe vehicles that produce zero carbon dioxide exhaust emissions. The methods used to manufacture, distribute and produce the energy used are not taken into account in the analysis. For the purposes of activity 6.1 “Passenger interurban rail transportation”, to determine which activities are Taxonomy-aligned, electric vehicles and bimodal vehicles have been included, i.e., vehicles that generate zero direct CO₂ exhaust emissions when operated on a track equipped with the necessary infrastructure, and that use a conventional engine if such infrastructure is not available.

For activities 6.3 “Urban and suburban transportation, road passenger transportation” and 6.5 “Transportation by motorbikes, passenger cars and light commercial vehicles”, the Group has taken into account only zero-emission vehicles, as defined by the Taxonomy, in determining which of its activities are Taxonomy-aligned. For activity 6.3 in particular, the Group has chosen not to consider Euro VI vehicles used for interurban transportation as sustainable until 2025.

The technical alignment criteria of the Taxonomy reflect the European Union’s objective of reaching carbon neutrality by 2050, but do not include certain significant measures that the Group has already taken to achieve its carbon trajectory. For example, for activity 6.3 “Urban and suburban transportation, road passenger transportation”, which accounted for around 75.6% of Transdev’s total revenue in 2023, hybrid vehicles and biofuel or biogas vehicles are not considered Taxonomy-aligned, even though they are components of a net low-emission fleet.

Do no significant harm to the other five environmental objectives - Do No Significant Harm (DNSH) criteria

Climate change adaptation

In 2023, the Group began preparing a climate change adaptation plan by mapping and assessing climate risks. Various solutions to anticipate these risks have been proposed (see chapter “Transdev, a sustainable mobility player”).

This adaptation plan, which meets the DNSH criterion, will need to be supplemented in the coming years.

Pollution prevention and reduction

For activities 6.3 “Urban and suburban transportation, road passenger transportation” and 6.5 “Transportation by motorbikes, passenger cars and light commercial vehicles”, the DNSH criterion concerns the compliance of tires with external rolling noise requirements in the highest energy efficiency class, and with the rolling resistance coefficient in the two highest energy efficiency classes. The compliance of tires was assessed using the European Product Registry for Energy Labelling (EPREL) database, based on the top tire classes available on the market. In some regions, mainly North America, tyre labelling does not correspond to that used in Europe. In this case, the Group considered that the DNSH criteria “Prevention and reduction of pollution” was not fulfilled.

Some electric vehicle fleets could not be considered Taxonomy-aligned because they did not meet these criteria for tires. In 2023, it concerns around 4.1% of revenues and 15.4% of CapEx for transport equipment (excluding First Transit).

Transition to a circular economy

The “Transition to a circular economy” DNSH criteria for activities 6.1 “Passenger interurban rail transportation”, 6.3 “Urban and suburban transportation, road passenger transportation” and 6.5 “Transportation by motorbikes, passenger cars and light commercial vehicles” mainly concern the implementation of waste management measures, both during the rolling stock’s use phase (maintenance) and at the end of its life cycle.

The waste management systems described in chapter “Transdev, a sustainable mobility player” meet this DNSH criterion, but will need to be reinforced in the future.

Minimum safeguards

The assessment covered four aspects: (i) human rights, (ii) corruption, (iii) taxes and (iv) fair competition. This assessment was based on:

- the policies implemented by the Group;
- the absence of any material adverse impact or event involving any of these four aspects (in particular, the absence of any material breaches or major convictions).

Transdev has set up a compliance management system to ensure compliance with laws and internal rules. It directly incorporates a code of conduct and anti-corruption measures, which are described in specific procedures. This compliance management system is supplemented by policies on human rights, taxes and fair competition.

Regarding the four aspects listed above,

- the policies implemented by the Group are described in chapter “Transdev’s ethics and compliance approach” and in the Vigilance Plan;
- in 2023, Transdev was not convicted of any offense that would call into question its compliance with the “minimum safeguards” criteria.

5. Eligibility and alignment of the Group’s activities

Revenue

Revenue for 2023 fiscal year (First Transit excluded)		
	Proportion of eligible revenue per objective	Proportion of aligned revenue per objective
Objectives	99.2%	10.9%
CCM	99.2%	10.9%
CCA	-	-
WTR ⁽¹⁾		
PPC ⁽¹⁾		
CE ⁽¹⁾		
BIO ⁽¹⁾		

⁽¹⁾ These four environmental objectives will be further developed in 2024.

In 2023, Taxonomy-aligned revenue totaled around 887.1 million euros, i.e., 10.9% of total revenue (excluding First Transit) (11.0% of eligible revenue).

For 2023, this alignment breaks down as follows by Taxonomy activity:

Economic activities	Code	Revenue 2023	Proportion of revenue (3)	Substantial contribution criteria				DNSH criteria							Enabling activity	Transitional activity
				Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards				
		(in € million)	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T		
A. TAXONOMY - ELIGIBLE ACTIVITIES																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																
Passenger interurban rail transport	CCM 6.1	524.3	6.4%	100%	0%	-	Y	Y	Y	Y	Y	Y		T		
Urban and suburban transport. road passenger transport ⁽¹⁾	CCM 6.3	283.2	3.5%	100%	0%	-	Y	Y	Y	Y	Y	Y		T		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	78.5	1.0%	100%		-	Y	Y	Y	Y	Y	Y				
Air transport ground handling operations	CCM 6.20	1.1	0.0%	100%	0%	-	Y	Y	Y	Y	Y	Y				
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		887.1	10.9%													
Of which enabling																
Of which transitional		807.6	9.9%	100%											T	
A.2. Taxonomy - eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																
Passenger interurban rail transport	CCM 6.1	571.3	7.0%													
Urban and suburban transport, road passenger transport	CCM 6.3	5 546.1	68.0%													
Urban and suburban transport, road passenger transport ⁽²⁾	CCM 6.3	313.6	3.8%	100%	0%	-	Y	Y	N	Y	Y	Y				
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	365.0	4.5%													
Transport by motorbikes, passenger cars and light commercial vehicles ⁽²⁾	CCM 6.5	23.7	0.3%	100%	0%	-	Y	Y	N	Y	Y	Y				
Freight transport services by road	CCM 6.6	7.0	0.1%													
Inland passenger water transport	CCM 6.7	189.8	2.3%													
Infrastructure for rail transport	CCM 6.14	68.4	0.8%													
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	11.5	0.1%													
Air transport ground handling operations	CCM 6.20	104.2	1.3%													
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7 200.6	88.3%													
Total (A.1 + A.2)		8 087.7	99.2%													
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																
Revenue of Taxonomy non-eligible activities (B)		65.5	0.8%													
Total (A + B)		8 153.2	100.0%													
First Transit (acquisition in 2023)		1 176.4														
TOTAL TRANSDEV		9 329.6														

(1) Activity operating electric or hydrogen vehicles (Euro VI technical criterion not applied for interurban in activity 6.3 "Urban and suburban transport, road passenger transport").

(2) Non-aligned revenue related to electric or hydrogen vehicles, because of the tire criterion (pollution DNSH).

(3) The allocation of revenue by activity does not include First Transit, contrary to that presented in the business model.

This alignment is driven primarily by activity 6.1 “Passenger interurban rail transportation”, which corresponds to electric and dual-mode rail transportation, mainly in Germany and New Zealand.

For activity 6.3 “Urban and suburban transportation, road passenger transportation”, Taxonomy-aligned revenue is generated by Group entities that operate:

- trams; and
- a fleet of zero-emission vehicles, within the meaning of the Taxonomy (mainly buses), fitted with tires that comply with external rolling noise and rolling resistance coefficient (energy efficiency) requirements. In certain regions, revenue associated with zero-emission vehicles, within the meaning of the Taxonomy, could not be considered Taxonomy-aligned because the vehicles did not meet the tire efficiency criteria.

Revenue from zero-emission vehicles, as defined by the Taxonomy, that could not be considered as aligned due to non-compliance with tire efficiency criteria, represents around 4.1% of Group revenue in 2023 (excluding First Transit).

CapEx (transportation equipment)

CapEx for 2023 fiscal year, transport equipment (First Transit excluded)		
	Proportion of eligible CapEx per objective	Proportion of aligned CapEx per objective
Objectives	97.5%	8.7%
CCM	97.5%	8.7%
CCA	-	-
WTR ⁽¹⁾		
PPC ⁽¹⁾		
CE ⁽¹⁾		
BIO ⁽¹⁾		

⁽¹⁾ These four environmental objectives will be further developed in 2024.

In 2023, Taxonomy-aligned CapEx on transportation equipment totaled 28.6 million euros, i.e., 8.7% of total CapEx for transportation equipment (excluding First Transit) and 8.9% of Taxonomy-eligible CapEx.

For 2023, this alignment breaks down as follows by Taxonomy activity:

Economic activities	Code	CapEx 2023	Substantial contribution criteria				DNSH criteria							Enabling activity	Transitional activity
			Proportion of CapEx	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards			
		(in € million)	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T	
A. TAXONOMY - ELIGIBLE ACTIVITIES															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
Passenger interurban rail transport	CCM 6.1	7.4	2.3%	100%		-	Y	Y	Y	Y	Y	Y		T	
Urban and suburban transport, road passenger transport ⁽¹⁾	CCM 6.3	21.2	6.5%	100%		-	Y	Y	Y	Y	Y	Y		T	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		28.6	8.7%												
Of which enabling															
Of which transitional		28.6	8.7%	100%											T
A.2. Taxonomy - eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
Passenger interurban rail transport	CCM 6.1	62.0	18.9%												
Urban and suburban transport, road passenger transport	CCM 6.3	164.2	50.0%												
Urban and suburban transport, road passenger transport ⁽²⁾	CCM 6.3	41.9	12.7%	100.00%		-	Y	Y	N	Y	Y	Y			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	9.8	3.0%												
Transport by motorbikes, passenger cars and light commercial vehicles ⁽²⁾	CCM 6.5	8.9	2.7%	100.00%		-	Y	Y	N	Y	Y	Y			
Inland passenger water transport	CCM 6.7	3.9	1.2%												
Air transport ground handling operations	CCM 6.20	1.1	0.3%												
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		291.7	88.8%												
Total (A.1 + A.2)		320.3	97.5%												
B. TAXONOMY NON-ELIGIBLE ACTIVITIES															
CapEx of Taxonomy non-eligible activities (B)		8.3	2.5%												
Total (A + B)		328.6	100.0%												
First Transit (acquisition in 2023)		92.4													
TOTAL TRANSDEV		421.0													

⁽¹⁾ Excluding Euro VI CapEx.

⁽²⁾ Not aligned electric or hydrogen vehicles because of the tire criterion (pollution DNSH).

In 2023, Taxonomy-aligned CapEx (transportation equipment) were primarily leases and purchases of zero-emission vehicles, within the meaning of the Taxonomy, fitted with tires that comply with external rolling noise and rolling resistance coefficient requirements. In certain regions, CapEx associated with zero-emission vehicles, within the meaning of the Taxonomy, could not be considered Taxonomy-aligned because the vehicles did not meet the tire efficiency criteria ; they represent around 15.4% of the Group's CapEx in 2023 (transport equipment, excluding First Transit).

6. Future developments

In 2023, Transdev voluntarily undertook the Taxonomy alignment exercise for the first time. Due to fact that the European Union's regulatory framework continues to evolve, the level of complexity of the legislation and the scope for interpretation, the Group expects this report to be fine-tuned in the coming years, in particular by:

- adding an analysis of CapEx on depots and workshops;
- making the adaptation plan more robust and identifying adaptation CapEx;
- expanding waste management procedures;
- when certain contracts are renewed, conducting an analysis of whether Taxonomy requirements for tires are taken into account;
- complying with the delegated acts concerning the four other environmental objectives, which were published on June 13, 2023.

7. Calculation methodology

Particular attention was paid to the risk of double counting.

Indicators

Revenue

Total revenue used is Group revenue as reported in the consolidated financial statements (see income statement published in Note I to the consolidated financial statements), i.e., after neutralizing internal transactions and including external subcontracting.

For certain entities, in order to determine the proportion of revenue that substantially contributes to Taxonomy alignment, the Group applied the percentage of kilometers traveled using zero-emission vehicles within the meaning of the Taxonomy (for activities 6.1 "Passenger interurban rail transportation", 6.3 "Urban and suburban transportation, road passenger transportation" and 6.5 "Transportation by motorbikes, passenger cars and light commercial vehicles") and dual-mode vehicles (for activity 6.1 only) relative to total kilometers traveled.

CapEx (transportation equipment)

Capital expenditures (CapEx) on transportation equipment consist of acquisitions of property, plant and equipment and rights of use during the year, before any impairment, depreciation/amortization or revaluation (see Notes VI.5.2 and VI.5.3 to the consolidated financial statements). They also include investments made by business combinations during the year (excluding acquired goodwill).

CapEx is calculated net of investment grants, which are deducted from the gross value of the assets for which they were received. CapEx does not include operating financial assets resulting from the application of IFRIC 12 "Service Concession Arrangements" (see Note VI.5.4 to the consolidated financial statements).

For 2023, Transdev focused its analysis on transportation equipment. Other types of CapEx, in particular on depots and maintenance workshops, are currently being analyzed.

Report of the independent third-party organization on the verification of the consolidated non-financial performance statement included in the management report

For the year ended December 31, 2023

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

To the shareholders

In our capacity as independent third-party organization, member of Mazars Group and accredited by COFRAC Inspection under number 3-1095 (list of accredited sites and their scope of accreditation available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated extra-financial performance statement (hereinafter the “Information” and “Statement” respectively), prepared in accordance with the entity’s procedures (hereinafter the “Guidelines”), for the financial year ended December 31, 2023, presented in the management report of the group (hereinafter the “Entity”) in application of the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the Commercial Code.

Conclusion

Based on the procedures we performed, as described in the “Nature and scope of our work” and the evidence we collected, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The absence of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Statement has been prepared in accordance with the Entity’s procedures (hereinafter the “Guidelines”), the main elements of which are presented in the Statement.

Restrictions due to the preparation of the Information

As mentioned in the Statement, the Information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the Statement.

The Entity’s responsibility

The Board of Directors is responsible for:

- selecting or setting appropriate criteria for the preparation of the Information;
- preparing the Statement with reference to legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and also, the Information required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- and implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or error. The Declaration was established by applying the Entity Framework as mentioned above.

Responsibility of the independent third-party organization

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of Information (observed or extrapolated) provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the “Information”).

We conducted our work in order to provide a reasoned opinion expressing a limited level of assurance on the historical, observed and extrapolated information.

As it is our responsibility to express an independent conclusion on the Information prepared by management, we are not authorized to be involved in the preparation of such Information, as this could compromise our independence.

This is not our responsibility to express an opinion on:

- the entity’s compliance with other applicable legal and regulatory requirements (in particular with regard to the Information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and the fight against corruption and tax evasion);
- the truthfulness of the Information provided for in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (“CNCC”) applicable to such engagements and with ISAE 3000⁽¹⁾ (revised).

This report has been prepared in accordance with the RSE_SQ_Programme de vérification_DPEF.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and the professional doctrine of the French National Association of Auditors.

Means and resources

Our work was carried out by a team of 5 people between November 2023 and February 2024 and over a total period of four weeks.

We conducted approximately ten interviews with the people responsible for preparing the Statement, representing executive management, administration and finance, risk management, compliance, human resources, health and safety, environmental and purchasing departments.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.

We estimate that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- we obtained an understanding of all the consolidated entities’ activities and the description of the principal risks associated;
- 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, when appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III;
- we verified that the Statement provides the Information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the Information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;

⁽¹⁾ ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities’ activities, including when relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and;
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain risks (poor skills planning, claims against a supplier, failure to respect human rights, personal data breaches, the fight against corruption) our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities⁽²⁾;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, 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⁽²⁾ and covers between 36% and 66% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures implemented in the context of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement conducted in accordance with the professional standards of the National Company of Statutory Auditors; a higher level of assurance would have required more extensive verification work.

The independant third party,
Mazars SAS

Paris La Défense, March 12th, 2024

Eddy Bertelli
Associé

Edwige REY
Associée Sustainability

Appendix 1: Information considered most important

Qualitative information (actions and results) relating to the main risks

- Sustainable Procurement Policy
- Data Privacy Policy
- Ethics and Compliance Management System
- Engagement Policy

Quantitative indicators including key performance indicators

Social indicators:

- Absenteeism rate
- Percentage of employees who received at least one training course during the year
- Employee turnover rate
- Percentage of employees who had an annual interview (Top Executives and Top managers of the Group)
- Percentage of women among Top Executives

Safety indicators:

- Lost time injuries frequency rate
- Lost time injuries severity rate
- Major accident rate

Security indicators:

- Lost time injuries frequency rate due to assault
- Lost time injuries severity rate due to assault
- Rate of physical assaults on passengers

Environmental indicators:

- Rate of entities that experienced accidental pollution during the period
- Alternative fleet rate
- Pollutant emissions/100 km travelled
- GHG emissions/100 km travelled (excluding marine activities)

Responsible procurement indicator:

- Percentage of master contracts > €1 million that incorporate the Suppliers’ Charter

Fundamental rights indicator:

- Annual percentage of projects approved by the GEC (Group Engagement Committee) for which human rights risks have been assessed and reduced to an acceptable level

Personal data protection indicator:

- Share of countries covered by a personal data protection officer compared to the total number of countries in the consolidation scope

Anti-corruption training indicator:

- Percentage of managers trained in anti-corruption measures every sliding three years (Group Top Executives and Top Managers scope)

⁽²⁾ Transdev Bayerische Regiobahn GmbH and consolidated data at Germany level. Consolidated data at France level

Vigilance plan

Applying the Group’s duty of vigilance

In accordance with Act No. 2017-399 of March 27, 2017 on the duty of vigilance of parent companies and principals, Transdev Group has adopted and implements a plan that includes reasonable vigilance measures to identify risks and prevent serious violations of human rights and fundamental freedoms, or threats to the health and safety of people or of environmental damage, due to its activities and those of the companies it directly or indirectly controls within the meaning of Article L. 233-16(II) of the French Commercial Code (*Code du commerce*), as well as due to the activities of subcontractors or suppliers with whom it maintains an established business relationship, if such activities are related to that relationship.

This plan includes:

- 1 A process for identifying, analyzing and prioritizing risks
- 2 Established assessment procedures for risk mapping purposes
 - 2.1 Assessment of subsidiaries
 - 2.2 Assessment of subcontractors and suppliers
- 3 Appropriate actions to mitigate risks or prevent serious harm
 - 3.1 A framework of fundamental rules
 - 3.2 A responsible and accountable governance
 - 3.3 Concrete prevention and monitoring actions
- 4 A mechanism for reporting and receiving reports on the existence or occurrence of risks
- 5 A system for monitoring measures implemented and evaluating their effectiveness
 - 5.1 Risks and Compliance
 - 5.2 Non-financial performance
- 6 Implementation report

This document is an appendix to the Transdev Group’s management report.

1. A process for identifying, analyzing and prioritizing risks

The Group’s main risks with respect to the duty of vigilance concern:

- Fight against climate change, reducing pollution and implementing energy transition;
- The health, safety and security of passengers, employees and third parties (preventing serious bus and train accidents, workplace accidents, incivility and violence in public transportation, terrorist and armed attacks and assaults on employees or passengers);
- Responsible purchasing;

- Fundamental rights (preventing risks of violations of fundamental rights, including harassment and discrimination);
- Business ethics (combating all forms of corruption, influence peddling, money laundering and terrorist financing).

The mapping methodology used is described in Section VIII of the statement of non-financial performance and additional details are provided in the “Methodological Note” section of the same document.

2. Established assessment procedures for risk mapping purposes

2.1 Assessment of subsidiaries

Vigilance plan risks were assessed for each country using a bottom-up approach. The methodology developed and used enables each country to apply this analysis within its subsidiaries.

The Group’s performance indicators described in the statement of non-financial performance are applied within the various entities to enable each entity to track its performance and changes over time, as well as for reporting purposes.

2.2 Assessment of subcontractors and suppliers

This assessment and its results are described in the “Transdev partners with communities” section of the Statement of Non-Financial Performance.

3. Appropriate actions to mitigate risks or prevent serious harm

3.1 A framework of fundamental rules

Transdev has adopted policies, procedures and a code of conduct that are binding on its stakeholders (employees, subcontractors, suppliers, consultants, service providers). The topics within the scope of the duty of vigilance that are covered by these policies and procedures include:

- Safety Policy;
- Group Environmental policy;
- Ethics and Compliance Management System, including the anti-corruption code of conduct;
- Group Sponsorship and Corporate Philanthropy Procedure;
- Corporate officers appointment procedure;
- Sales intermediaries, service providers and lobbyists procedure;
- Risk Policy;
- Crisis Management Procedure and Incident Reporting Procedure;
- Code of Ethics;
- Procurement Procedure and Suppliers’ Charter;
- Internal control charter.

These policies, procedures and codes are approved by the Executive Committee and circulated to all employees. In addition, whenever relevant, they are provided to the Group’s stakeholders, who are requested to undertake to comply with them. They are regularly reviewed and modified, in accordance with the same approval process.

3.2 A responsible and accountable governance

The Group has set up a chain of delegations of authority and signature powers that defines and limits the authority of the holders’ powers, and it reminds them of their obligation to comply with, and to take reasonable and necessary measures to ensure that their teams are familiar and comply with all aspects of the statutes and regulations on preventing terrorism, organized crime and money laundering, as well as with the procedures, policies and codes adopted by the Company, in particular on:

- Safety
- Bribery, influence peddling and other conflicts of interests;
- Money laundering and the financing of terrorism;
- Fundamental rights;
- Anti-competitive practices;
- Personal data protection;
- The environment.

It has also adopted a review and decision-making procedure for development and operational projects that is implemented by the Country and Group Commitment Committees, as well as by an Investment Committee, which are responsible for examining these projects and operations based on criteria defined by the Group, and which incorporates the issues covered by this vigilance plan and mitigation/action plans in the event of specifically identified risks. These committees are chaired by the manager responsible for the relevant business scope. The Group Commitment Committees are managed by the Risks, Compliance and Internal Control Department.

3.3 Concrete prevention and monitoring actions

In addition to internal regulations and attentive governance, the Group has implemented risk management measures (Security, Safety and Environmental Management Systems, Training, Audits, Investigations), which are described in greater detail in chapters on environment, safety and security of the statement of non-financial performance.

4. A mechanism for reporting and receiving reports on the existence or occurrence of risks

The Group has adopted a reporting and incident management procedure to quickly circulate information on confirmed significant risks and to ensure that such information is handled by the ordinary organization or a crisis management structure.

The system, which is managed by the Risks, Compliance and Internal Control Department, is on call 24/7. In addition, various functional reports are used to periodically report incidents by type (health and safety, security, environment, fraud). Information is periodically cross-referenced between the Risks, Compliance and Internal Control Department and the relevant functional departments to ensure that information

is consistent and that incidents are handled and monitored. Lastly, an ethical whistleblowing procedure has been set up in all countries where the Group operates. Employees may, in good faith and in a disinterested manner, report a serious non-compliance or danger of which they are personally aware, with respect to the following issues: accounting, finance, banking, corruption, influence peddling or money laundering, anti-competitive practices, discrimination, harassment and, more generally for the fundamental rights, health and physical or mental integrity of any person concerned by the Group's business, and protection of the environment and biodiversity. This process, which is monitored by the Risks, Compliance and Internal Control Department, operates in a manner that protects the rights of the relevant people. Information has been circulated within the Group about the existence of the reporting system. The Group has also set up a dedicated e-mail address – "ethics@transdev.com" – that all employees can use to contact the Risk and Internal Control Department if they have questions or need assistance.

5. A system for monitoring measures implemented and evaluating their effectiveness

5.1 Risks and Compliance

Every six months, the Executive Committee meets as the Risk Committee to review risk and compliance management within the Group, actions completed and ongoing actions and their results, and decides on additional actions to be taken. The information necessary for this review is prepared by the Risks, Compliance and Internal Control Department in conjunction with the countries, the functional departments and the members of the Executive Committee.

Specific preparatory work is carried out on issues in relation to ethics and compliance. Information on the implementation of this system is reported on a semi-annual basis by the country representatives. The contributions are consolidated in the report submitted to the Ethics and Compliance Committee. The analyses and proposals of the Ethics and Compliance Committee are submitted to the Executive Committee for approval, along with the results of second-level controls carried out. Each year, the Audit Committee reviews compliance and internal control risks, as well as Internal Audit's reports, recommendations and oversight of their implementation.

5.2 Non-financial performance

The report and its conclusions are reviewed annually by the Audit Committee.

6. Implementation report

In 2023, the Group launched a comprehensive review of its ethics and compliance systems to facilitate effective implementation and management. In addition, it reviewed the following rules:

- Procurement Policy;
- Personal Data Policy;
- Fair Competition Policy;
- Tax Policy;
- Appointment of Directors Procedure.

These advances contribute to improving risk management and ensuring the effective implementation of the plan, across the entire business scope.

The information contained in this document meets the requirements of Order No. 2017-1180 and Implementing Decree No. 2017-1265, which transposed Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014 on the disclosure of non-financial information.

This document is an appendix to the Transdev Group's management report.



Consolidated Financial Statement Transdev Group S.A.

As of December 31, 2023

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Information on Transdev Group

Transdev Group, the parent company of the Transdev Group (hereinafter “Transdev” or the “Group”) is a public limited company (*société anonyme*) incorporated under French law, which has capital of €1,085,301,685.26, and was registered with the Nanterre Trade and Companies Registry under number 521 477 851 on December 12, 2011. The head office is located at 3 allée de Grenelle, 92130 Issy-les-Moulineaux, France.

Transdev is a global mobility operator: it designs, sets up and operates passenger transportation systems that incorporate all modes of land and sea travel, combining a range of public transportation services and on-demand mobility solutions, and offering services that facilitate passengers’ daily lives. Transdev’s approach, which is rooted in long-term partnerships, is to advise and provide support to businesses and public authorities in the pursuit of the safest and most innovative mobility solutions. Its corporate mission is focused on the following objectives: “We empower freedom to move every day thanks to safe, reliable and innovative solutions that serve the common good.”

In 2023, the Group generated consolidated revenue of €9.3 billion⁽¹⁾. It does business in nineteen countries and comprises 559 consolidated subsidiaries, with 95,086 employees (average number of full-time equivalent employees). In addition, the Group participates in semi-public companies (*sociétés d’économie mixte*) in France, in which the Group holds non-controlling interests.

Caisse des Dépôts⁽²⁾ holds a 66% stake in Transdev Group; the remaining 34% of the capital is held by Rethmann France.

⁽¹⁾ First Transit Group, consolidated as of March 6, 2023, contributed €1,176.4 million to 2023 revenue.

⁽²⁾ Caisse des Dépôts is a special French institution established in 1816 by decree, which is governed by Articles L.518-2 et seq. of the French Monetary and Financial Code (*Code monétaire et financier*).

I. Consolidated income statement

(€ millions)	2022	2023	Notes
REVENUE	7,707.2	9,329.6	VI.4.1
Cost of sales	(6,928.1)	(8,307.5)	
Selling costs	(28.6)	(29.9)	
General and administrative expenses	(663.5)	(823.1)	
CURRENT OPERATING RESULT	87.0	169.1	VI.4.1
Other operating income and expenses	(12.2)	(56.9)	
OPERATING RESULT	74.8	112.2	VI.4.1
Share of net income (loss) of equity-accounted entities	6.2	5.7	
o/w share of net income (loss) of joint ventures	6.4	5.9	VI.7
o/w share of net income (loss) of associates	(0.2)	(0.2)	VI.7
OPERATING RESULT after share of net income (loss) of equity-accounted entities	81.0	117.9	
Net finance costs	(36.0)	(46.5)	VI.8.3
Other financial income and expenses	(9.6)	(27.7)	VI.8.3
Income tax expense	(16.6)	(20.8)	VI.10.1
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	18.8	22.9	
Net income (loss) from discontinued operations	3.4	-	
NET INCOME (LOSS)	22.2	22.9	
Share of non-controlling interests	(1.8)	(2.8)	
SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	20.4	20.1	

The accompanying notes are an integral part of the consolidated financial statements.

II. Consolidated statement of comprehensive income

(€ millions)	2022	2023
NET INCOME (LOSS) FOR THE YEAR	22.2	22.9
Actuarial gains or losses	0.8	(10.6)
Related income tax	(3.1)	0.2
Amount net of tax	(2.3)	(10.4)
Fair value adjustments on equity instruments	(1.2)	(1.1)
Related income tax	0.3	-
Amount net of tax	(0.9)	(1.1)
OTHER ITEMS OF COMPREHENSIVE INCOME NOT SUBSEQUENTLY RELEASED TO NET INCOME	(3.2)	(11.5)
o/w attributable to joint ventures	-	-
o/w attributable to associates	-	-
Fair value adjustments on derivatives used as cash flow hedge	0.5	(8.3)
Related income tax	(0.2)	1.1
Amount net of tax	0.3	(7.2)
Foreign currency translation		
Translation differences on the accounts of subsidiaries kept in foreign currencies	0.9	(6.5)
Translation differences on net foreign investment financing	0.8	(1.7)
Related income tax	(0.1)	0.4
Amount net of tax	0.7	(1.3)
Net foreign exchange gains and losses	1.6	(7.8)
OTHER ITEMS OF COMPREHENSIVE INCOME SUBSEQUENTLY RELEASED TO NET INCOME	1.9	(15.0)
o/w attributable to joint ventures	(0.9)	1.7
o/w attributable to associates	-	-
TOTAL OTHER COMPREHENSIVE INCOME	(1.3)	(26.5)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	20.9	(3.6)
Attributable to owners of the parent company	18.6	(5.9)
Attributable to non-controlling interests	2.3	2.3

The accompanying notes are an integral part of the consolidated financial statements.

III. Consolidated statement of financial position

ASSETS (€ millions)	December 31, 2022	December 31, 2023	Notes
Goodwill	643.9	968.3	VI.6.1
Other intangible assets	96.1	115.1	VI.5.1
Property, plant and equipment	1,183.0	1,318.6	VI.5.2
Right-of-use assets	885.6	899.8	VI.5.3
Investments in equity-accounted companies	25.5	30.1	VI.7.1
Non-current operating financial assets	512.0	596.5	VI.5.4
Other non-current financial assets	48.4	52.6	VI.8.2
Non-current derivative instruments - assets	1.4	0.4	VI.8.4
Deferred tax assets	24.4	25.8	VI.10.2
TOTAL NON-CURRENT ASSETS (I)	3,420.3	4,007.2	
Inventories and work in progress	145.4	181.0	VI.4.2
Operating receivables	1,612.6	1,769.9	VI.4.2
Current operating financial assets	116.2	90.9	VI.5.4
Other current financial assets	38.6	37.7	VI.8.2
Current derivative instruments - assets	3.4	3.2	VI.8.4
Cash and cash equivalents	586.9	735.2	VI.8.1
Assets held for sale	16.0	-	
TOTAL CURRENT ASSETS (II)	2,519.1	2,817.9	
TOTAL ASSETS (I+II)	5,939.4	6,825.1	

EQUITY AND LIABILITIES (€ millions)	December 31, 2022	December 31, 2023	Notes
Share capital	1,206.0	1,085.3	
Reserves and retained earnings attributable to owners of the parent company	(448.1)	(336.7)	
Equity and net income attributable to owners of the parent company	757.9	748.6	
Equity and net income attributable to non-controlling interests	27.7	24.3	
EQUITY (I)	785.6	772.9	
Non-current provisions	438.4	613.9	VI.9
Non-current financial liabilities	701.4	1,038.7	VI.8.1
Non-current lease liabilities	689.0	692.7	VI.8.1
Provision of rolling stock under concession arrangements - Non-current part	398.8	505.3	VI.5.4
Non-current derivative instruments - liabilities	0.0	6.9	VI.8.4
Other non-current liabilities	24.2	27.7	
Deferred tax liabilities	40.1	37.2	VI.10.2
TOTAL NON-CURRENT LIABILITIES (II)	2,291.9	2,922.4	
Operating payables	2,294.3	2,526.3	VI.4.2
Current provisions	168.1	274.5	VI.9
Current financial liabilities	81.6	40.3	VI.8.1
Current lease liabilities	218.6	206.2	VI.8.1
Provision of rolling stock under concession arrangements - Current part	62.2	61.8	VI.5.4
Current derivative instruments - liabilities	5.4	3.0	VI.8.4
Overdrafts	29.7	17.7	VI.8.1
Liabilities held for sale	2.0	-	
TOTAL CURRENT LIABILITIES (III)	2,861.9	3,129.8	
TOTAL EQUITY AND LIABILITIES (I+II+III)	5,939.4	6,825.1	

The accompanying notes are an integral part of the consolidated financial statements.

IV. Consolidated statement of cash flows

(€ millions)	2022	2023
NET INCOME (LOSS) FOR THE YEAR	22.2	22.9
Operating depreciation, amortization, provisions and impairment losses	460.3	477.9
Financial amortization and impairment losses	0.7	(2.3)
Gain (losses) on disposal	(20.3)	(8.1)
Unwinding of discounted provisions	7.5	28.2
Share of net income (loss) of equity-accounted entities	(6.2)	(5.7)
Dividends received	(1.5)	(1.8)
Net finance costs	36.1	46.5
Income tax expense	16.6	20.8
Other items	3.2	0.1
OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL REQUIREMENTS	518.6	578.5
Income taxes paid	(19.9)	(13.5)
Changes in working capital requirements	(74.8)	256.1
Change in contract costs	(3.0)	(0.7)
I. NET CASH FLOW FROM / USED IN OPERATING ACTIVITIES	420.9	820.4
Capital investments	(353.8)	(353.1)
Proceeds on disposal of intangible assets and property, plant and equipment	71.2	60.9
Net investments in operating financial assets		
New operating financial assets	(17.9)	(38.4)
Principal payments on operating financial assets	122.7	96.3
Purchase of financial investments ⁽²⁾	(24.7)	(453.9)
Sale of financial assets	29.9	15.0
Dividends received (including dividends received from joint ventures and associates)	3.5	3.1
Non-current financial receivables, cash out	(1.8)	(6.9)
Non-current financial receivables, cash in	4.9	1.6
Net increase / decrease in current financial receivables	(6.3)	1.3
II. NET CASH FLOW FROM / USED IN INVESTING ACTIVITIES	(172.3)	(674.1)
Capital increase (share subscribed by non-controlling interests)	0.5	-
Dividends paid	(1.1)	(2.2)
New non-current borrowings ^{(1) (2)}	3.1	373.4
Principal payments on non-current borrowings ⁽¹⁾	(14.9)	(10.4)
Net increase (decrease) in current borrowings ⁽¹⁾	(8.6)	(62.4)
Principal payments on lease liabilities	(249.1)	(239.6)
Interest paid	(19.7)	(25.4)
Interest paid on lease liabilities	(16.7)	(19.3)
Transactions between shareholders - acquisitions and divestitures, without change in control	(0.1)	(0.2)
III. NET CASH FLOW FROM / USED IN FINANCING ACTIVITIES	(306.6)	13.9
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES AND OTHER	6.8	0.1
NET CASH AT THE BEGINNING OF THE YEAR	608.4	557.2
Changes in cash, cash equivalents and overdrafts (I+II+III+IV)	(51.2)	160.3
NET CASH AT THE END OF THE YEAR	557.2	717.5
Cash and cash equivalents	586.9	735.2
Overdrafts	(29.7)	(17.7)

⁽¹⁾ The reconciliation between the change in net financial debt in the consolidated statement of financial position and the cash flows is presented in note VI.8.1.

⁽²⁾ The variation in these items mainly comes from the acquisition of First Transit (see notes VI.1 and VI.3).

The accompanying notes are an integral part of the consolidated financial statements.

V. Statement of changes in equity

(€ millions)			Items that may be reclassified to profit or loss		Items that are not reclassified to profit or loss		Equity attributable to equity owners of the parent	Non-controlling interests	Total equity
	Share capital	Consolidated reserves and retained earnings	Foreign exchange translation reserves	Fair value reserves	Fair value reserves not re-classifiable to profit or loss	Other unrealized gains/(losses), not re-classifiable to profit or loss			
AS OF JANUARY 1, 2022	1,206.0	(418.6)	(9.7)	0.8	(3.8)	(43.4)	731.3	25.8	757.1
Third party share in share capital increases of subsidiaries and in changes in consolidation scope	-	-	-	-	-	-	-	0.5	0.5
Third party share in dividend distributions of subsidiaries	-	-	-	-	-	-	-	(1.0)	(1.0)
Transactions between shareholders	-	(0.4)	-	-	-	-	(0.4)	0.1	(0.3)
TOTAL TRANSACTIONS BETWEEN SHAREHOLDERS AND OTHER SCOPE CHANGES	-	(0.4)	-	-	-	-	(0.4)	(0.4)	(0.8)
Foreign exchange translations	-	-	1.2	-	-	-	1.2	0.4	1.6
Actuarial gains or losses	-	-	-	-	-	(2.4)	(2.4)	0.1	(2.3)
Fair value adjustment on hedge derivatives and assets measured at fair value through other comprehensive income	-	-	-	0.3	(0.9)	-	(0.6)	-	(0.6)
OTHER COMPREHENSIVE INCOME	-	-	1.2	0.3	(0.9)	(2.4)	(1.8)	0.5	(1.3)
OTHER VARIATIONS	-	8.4	-	-	-	-	8.4	-	8.4
NET INCOME (LOSS) FOR THE YEAR 2022	-	20.4	-	-	-	-	20.4	1.8	22.2
AS OF DECEMBER 31, 2022	1,206.0	(390.2)	(8.5)	1.1	(4.7)	(45.8)	757.9	27.7	785.6
Parent company capital change	(120.7)	120.7	-	-	-	-	-	-	-
Third party share in share capital increases of subsidiaries and in changes in consolidation scope	-	-	-	-	-	-	-	0.2	0.2
Third party share in dividend distributions of subsidiaries	-	-	-	-	-	-	-	(2.2)	(2.2)
Transactions between shareholders	-	0.1	-	-	-	-	0.1	(3.7)	(3.6)
TOTAL TRANSACTIONS BETWEEN SHAREHOLDERS AND OTHER SCOPE CHANGES	(120.7)	120.8	-	-	-	-	0.1	(5.7)	(5.6)
Foreign exchange translations	-	-	(7.4)	-	-	-	(7.4)	(0.4)	(7.8)
Actuarial gains or losses	-	-	-	-	-	(10.3)	(10.3)	(0.1)	(10.4)
Fair value adjustment on hedge derivatives and assets measured at fair value through other comprehensive income	-	-	-	(7.2)	(1.1)	-	(8.3)	-	(8.3)
OTHER COMPREHENSIVE INCOME	-	-	(7.4)	(7.2)	(1.1)	(10.3)	(26.0)	(0.5)	(26.5)
OTHER VARIATIONS	-	(3.5)	-	-	-	-	(3.5)	-	(3.5)
NET INCOME (LOSS) FOR THE YEAR 2023	-	20.1	-	-	-	-	20.1	2.8	22.9
AS OF DECEMBER 31, 2023	1,085.3	(252.8)	(15.9)	(6.1)	(5.8)	(56.1)	748.6	24.3	772.9

As of December 31, 2023, Transdev Group's capital totaled €1,085,301,685.26, divided into 112,817,223 shares with a par value of €9.62 each, all fully subscribed and paid in, including 111,133,384 ordinary shares and 1,683,839 non-voting preferred shares.

The accompanying notes are an integral part of the consolidated financial statements.

VI. Notes to the consolidated financial statements

VI.1. Significant events

VI.1.1. Acquisition de First Transit

On March 6, 2023, Transdev North America Inc., a 100%-controlled subsidiary of Transdev Group, completed the acquisition of 100% of the capital stock of First Transit Inc., announced on October 26, 2022. This acquisition bolsters the Transdev Group's innovative offer of sustainable mobility and public transportation in the United States and Canada.

The First Transit Group generates annual revenue of approximately €1.4 billion.

This acquisition was mainly financed with a five-year syndicated loan in US dollars for which part of the interest expense is indexed on sustainable-development targets, reinforcing the Group's ESG commitments (see notes VI.2.3.2 and VI.8)

First Transit Group is fully consolidated in the Transdev consolidated financial statements as of March 6, 2023. Note VI.3 details the impact of this takeover, which includes the provisional fair-value assessment of assets and liabilities on the effective date of control.

VI.1.2. Other changes in consolidation scope for the year

Transdev continued its growth strategy in Canada during the year with the acquisition of four companies. As of December 31, 2023, the fair value of the assets and liabilities acquired as a result is undergoing assessment. Goodwill recognized individually for these four acquisitions is not significant.

In addition, the Group disposed of its long-distance Business to Consumer ("BtoC") activity in Portugal on January 18, 2023. This activity, which was not a cash generating unit, had been classified as of December 31, 2022, as a non-current asset held for sale and assessed at the lower of its net carrying amount and its estimated fair value less costs to sell. This disposal has no significant impact for the fiscal year ended December 31, 2023.

VI.1.3. Inflationary context and rising interest rates

In 2023, the global environment remained highly uncertain, being particularly marked by increased geopolitical tensions, climate change, inflationary pressures, and difficulties in hiring and retaining staff in numerous geographical areas, together with the rise in interest rates, particularly affecting short maturities.

In addition, energy prices proved highly volatile during the year: electricity and gas prices fell decreased sharply overall in Europe following the crisis levels reached in 2022, while diesel saw a limited decrease, with upward pressure resuming during the fall of 2023.

In this environment, Group activities were particularly impacted by the following:

- inflationary pressure, particularly on salaries, accentuated by manpower shortages;
- the decrease in electricity and gas prices, and the effect of contract index formulas – it should be recalled that fiscal year 2022 was marked by an estimated €82 million negative impact on current operating result (the impact net of indexation mechanisms and government support measures);
- delays in delivery of transportation equipment.

Changes in operational performance are discussed in the management report.

VI.1.3.1. Inflationary pressure and labor-market shortages

The inflationary context negatively impacted operating performance in fiscal year 2023. Some costs increased heavily, particularly manpower costs, for which the increase was accentuated by labor shortages⁽¹⁾ and increased insurance premiums.

Although most contracts with public transit authorities include indexation clauses covering energy and salaries, these clauses do not in all cases offset these changes or variations in the Euro exchange rate in real time, because:

- there is often a time lag before any offsets apply;
- index movements sometimes differ from those in costs actually incurred.

Furthermore, recent Group contracts, providing for the transfer of activity from previous operators, often started up with a shortage of drivers, since staff numbers actually present differed from the headcounts stated in the calls for bids. This manpower shortage can result in shortfalls in service provision, incurring penalties charged by the public transit authorities.

Transdev adapts to this uncertain environment and mitigates its adverse impacts primarily by:

- actively participating in new driver hiring and training;
- securing staff loyalty and enhancing job attractiveness;
- continuing its operating-performance drive;
- renegotiating with its customers to revise inadequate indexation mechanisms; and
- taking advantage of available government support measures.

VI.1.3.2. Rising interest rates

As in 2022, fiscal year 2023 continues to be marked by the rise in short-maturity interest rates in the majority of countries where the Group is present.

⁽¹⁾ For Europe, the International Road Transport Organisation (IRU) currently estimates the shortage of bus and coach drivers at 105,000, equivalent to almost 10% of requirements.

Since Transdev's current and non-current financial debt is mainly fixed rate, this increase chiefly impacts the cost of financial debt, due to new financing contracted during the fiscal year ended (see note VI.8.1).

As in 2022, the discount rates used to assess the recoverable value of the Cash Generating Units (CGUs) were also adjusted upward (see note VI.6.2).

More generally, due to the uncertain macroeconomic environment, the Group has conducted an in-depth review of its assumptions and estimates (see details in note VI.2.3).

VI.1.4. Commercial operations

The most significant contracts the Group won or renewed since the start of the year are described below.

France

Transdev renewed contracts in the following urban areas, among others: Reims (annual revenue of approximately €60 million); Lens (annual revenue of approximately €88 million); Le Havre (annual revenue of approximately €77 million) and Niort (annual revenue of approximately €16 million), for six-year terms respectively.

In addition, Transdev was awarded two new delegated public-service (DSP) contracts in the Ile-de-France region: the DSP 25 Cœur d'Essonne for six years, and the DSP 28 Versailles Grand Parc for five years (annual revenues of approximately €44 million and €42 million respectively).

North America

In the United States, in May 2023, the Regional Transportation Commission of Southern Nevada awarded to First Transit the operation and maintenance of its bus network, including the city of Las Vegas, for a term of four years (annual revenue of approximately €157 million).

Transdev renewed the contract with Nassau County (New York State) for seven years (annual revenue of approximately €151 million).

In Canada, Transdev was awarded four urban transportation contracts with Montreal, amounting annually to some €40 million, for terms ranging from eight to ten years.

South America

In December 2023, Transdev (51%) commissioned the first underground railroad line in Quito (Ecuador), for a six-year term (annual revenue of approximately USD 28 million).

Australasia

In New Zealand, Transdev will continue to operate the Greater Wellington trains through to 2031, having renewed its contract for the five Metlink metropolitan railroad lines for six years (annual revenue of approximately €43 million).

Germany

In Germany, the Niers-Rhein-Emscher regional Railroad contract was extended for three years (annual revenue of approximately €54 million).

VI.2. Accounting principles and methods, use of estimates

VI.2.1. General principles applied in preparing the consolidated financial statements

The consolidated financial statements are presented in millions of euros, unless stated otherwise.

The consolidated financial statements include the financial statements of Transdev Group and those of its subsidiaries included in the scope of consolidation. The financial statements of nearly all of the subsidiaries are drawn up for the same reference period as those of the parent company, from January 1 to December 31, 2023, in accordance with uniform accounting policies and methods.

Based on available information, the Group concluded that there were no material uncertainties that call into question the going concern assumption.

The consolidated financial statements as of December 31, 2023 were approved by the Board of Directors at its meeting on March 5, 2024.

VI.2.2. Accounting standards framework

VI.2.2.1. Basis underlying the preparation of the financial statements

Pursuant to Regulation no. 1606/2002 of July 19, 2002, as amended by European Regulation no. 297/2008 of March 11, 2008, the consolidated financial statements for fiscal year 2023 are prepared in accordance with IFRS (International Financial Reporting Standards), as adopted by the European Union and published by the International Accounting Standards Board (IASB). These standards are available on the following European Union website:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting_en

The company's financial statements are presented, for comparison purposes, with the financial statements for fiscal year 2022, which were prepared using the same accounting standards framework, taking into account the new texts applicable as of January 1, 2023 (see note VI.2.2.2).

The consolidated financial statements are presented on a historical cost basis, with the exception of assets and liabilities held for sale assessed in accordance with IFRS 5 (at the lower of the net carrying amount and the net fair value less costs to sell) and the following assets and liabilities recognized at fair value: derivatives, financial instruments at fair value through profit or loss and financial instruments at fair value through other comprehensive income (in accordance with IAS 32 and IFRS 9).

In the absence of IFRS standards or interpretations, and in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", Transdev Group refers to other IFRS standards that address similar or related issues, as well as to the conceptual framework.

VI.2.2.2. Principles, standards, amendments to standards and interpretations applicable as of fiscal year 2023

The accounting policies and valuation rules applied by the Group in preparing the consolidated financial statements as of December 31, 2023 are identical to those the Group used as of December 31, 2022, with the exception of the new standards, amendments to standards and interpretations of mandatory application as of January 1, 2023, which are described below:

- Amendments to IAS 1 “Disclosure of Accounting Policies”, clarifying the information to disclose on “significant” accounting methods, namely those likely to influence decision-making by the principal users of financial statements;
- Amendments to IAS 8 “Definition of Accounting Estimates,” clarifying the differences between accounting methods and accounting estimates;
- Amendments to IAS 12 “Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction,” removing the exemption from initial recognition of deferred taxes for transactions that arise from temporary differences that are taxable and that are deductible for a single amount;
- Amendments to IAS 12 “International Tax Reform – Pillar Two Model Rules”, providing a temporary, mandatory exception to the requirements for recognition of deferred-tax assets and liabilities related to the Pillar 2 income tax reform published by the Organisation for Economic Cooperation and Development (OECD).

The application of these first three amendments had no impact on the Group consolidated financial statements. Note VI.10.4 relates the Group’s progress in implementing Pillar 2 of the international tax reform.

VI.2.2.3. Main texts applicable after december 31, 2023 and not adopted early by the group

The main texts which became mandatory after December 31, 2023 are listed below:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current – Classification of debt with covenants as a current or non-current liability”;
- Amendments to IAS 16 “Lease Liability in a Sale and Leaseback”;
- Amendments to IAS 7 and IFRS 7, “Supplier Finance Arrangements”.

The Group is currently assessing the impacts of the initial application of these texts.

VI.2.3. Use of estimates and assessments

VI.2.3.1. Chief sources of uncertainty, and estimates

Transdev may make estimates and use assumptions that affect the carrying amount of assets, liabilities, revenue and expenses, as well as the disclosures concerning contingent assets and liabilities. The actual future results may be appreciably different from these estimates.

Underlying estimates and assumptions are made based on past experience and other factors considered as reasonable given the circumstances. They act as a basis for making judgments necessary for assessing the carrying amounts of assets and liabilities, which cannot be obtained directly from other sources. Actual values may differ from these estimates.

All of these estimates are based on an organized process for collecting forecast information on future flows, after validation by operating management, and on anticipated market data based on external indicators, which are used in accordance with consistent and documented methodologies. Underlying estimates and assumptions are reviewed on an ongoing basis; the impact of changes in accounting estimates is recognized in the period in which the change is made.

The consolidated financial statements for the year have been prepared taking the immediate environment into account, on the basis of accounting estimates made in a context that continues to be sensitive to changes in the energy market, inflation and interest rates, the consequences of which make assessment of the medium and short-term economic outlook difficult. Therefore, special attention has been paid to the following factors:

- Recognition of revenue, assessed case-by-case, particularly in line with progress in negotiations on indexation clauses (chiefly salaries and energy), and passenger-traffic trends where the Group is exposed to variations in ridership by or earnings from passengers;
- Determining the discount rates for impairment of assets (IAS 36), provisions (IAS 37 and IAS 19) and leases (IFRS 16). The method for determining these rates is described in notes VI.6, VI.9 and VI.5;
- Determining the recoverable amounts of goodwill, intangible assets and property, plant, and equipment. Note VI.6 presents the future cash flow and discount rate assumptions used to assess the recoverable amounts of these assets. Sensitivity analyses were also performed and are presented in that note.

In addition to the specific issues raised by the current macroeconomic situation, the Group’s other estimates used in preparing its consolidated financial statements concern primarily:

- The assessment of provisions (note VI.9). In determining these provisions, Transdev has used the best estimates of these obligations. In particular, the estimate of provisions for self-insurance and claims in the United States is based on an estimate of litigation settlements and an independent actuarial valuation, which takes into account factors such as claim ratio (claim frequency and size), the progress of litigation and disputes not yet identified. These factors are based on judgments, which are a source of uncertainty;
- Pending legal or arbitration proceedings (note VI.13). In accordance with the criteria of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, the Group has determined that, as of December 31, 2023, no provision should be recognized in connection with ongoing legal or arbitration proceedings when their outcome is considered highly uncertain or the financial consequences thereof are not quantifiable to date;

- The recoverable value of deferred-tax assets on tax losses, which was assessed in the light of the current situation and its uncertainties, on the basis of expected taxed-earnings forecasts, established in consistency with the operating assumptions adopted in the Group long-term plan (see note VI.10);
- The determination of the lease terms and of the renewal options used to determine the value of lease liabilities and right-of-use assets in accordance with IFRS 16 "Leases" (see note VI.6.3).

VI.2.3.2. Climate

Group commitments on climate

Alongside its customers, Transdev has a long-standing commitment to the process of reducing greenhouse gas emissions via its "Moving Green" strategy formally enshrining its commitments and actions to promote sustainable, de-carbonized mobility (see section 5, "Transdev, a sustainable mobility player" in the statement of non-financial performance, annexed to the management report).

Transdev's climate commitments are also reflected in its financing strategy. Accordingly, the Group contracted the following in 2023:

- a five-year syndicated loan in US dollars connected with the acquisition of First Transit (see note VI.1). Part of the interest on this loan is linked to the achievement of annual environmental targets and gender parity targets (see notes VI.1.1 and VI.8).
- a green loan to finance the electric-bus fleet under the contract with Gästrikland, Sweden (loan not drawn as of December 31, 2023). This ten-year loan in Swedish Kronor complies with the principles of the Loan Market Association (LMA). Transdev is committed to annual disclosure to lenders of data on carbon-dioxide emissions avoided compared with diesel-powered bus emissions.

Factoring climate risk into bid-call processes

The climate risk review is conducted at committee meetings deciding on acquisition projects and calls for bids.

Concerning contracts entered into with public transit authorities, transportation equipment complies with the specifications laid down by those authorities, and the property assets (depots, maintenance workshops and parking lots) are often made available. With assets and contracts having medium-term life cycles, ranging between five and fifteen years, the Group adapts its risk profile for the various call for bid processes (both renewals and new contracts).

Energy issues are factored into Group project analyses so that its carbon reduction path can be pursued.

Factoring climate risk into the consolidated financial statements

To the best of its knowledge, the Group factors climate risks into its cutoff assumptions, and pays particular attention to the following elements:

- the estimated useful life of assets, particularly transportation equipment, as used in calculating depreciation and amortization (see note VI.5);

- risk estimates used to determine the amount of provisions for risks and losses (see note VI.9).

As matters stand, the Group is unable to evaluate the impacts of any changes in regulations governing carbon dioxide emissions in public transportation (particularly those relating to the introduction of a carbon tax on fuel used in road transportation in Europe).

VI.2.4. Translation of foreign subsidiaries' financial statements and foreign currency transactions

VI.2.4.1. Translation of foreign subsidiaries' financial statements

Statements of financial position, income statements and statements of cash flows of subsidiaries whose functional currency is different from the parent company's presentation currency are translated into the currency used to present the consolidated financial statements at the applicable exchange rate, i.e., the year-end rate for consolidated statement of financial position items and the average annual rate for income statement and cash flow statement items.

Foreign exchange translation gains and losses are recognized in equity as other comprehensive income.

The exchange rates of the major currencies of non-Euro countries used in preparing the consolidated financial statements were as follows:

€1 = X foreign currency

AVERAGE RATE	2022	2023
U.S. dollar	1.054	1.080
Canadian dollar	1.370	1.460
Australian dollar	1.517	1.630
Swedish krona	10.627	11.470
CLOSING RATE	2022	2023
U.S. dollar	1.067	1.110
Canadian dollar	1.440	1.460
Australian dollar	1.569	1.630
Swedish krona	11.122	11.100

VI.2.4.2. Foreign currency transactions

In general, the functional currency of the Group's subsidiaries is their local currency. Transactions denominated in foreign currency are translated by the subsidiaries into their functional currencies at the rate of exchange prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated by the subsidiaries into their functional currencies at the year-end exchange rate. The resulting foreign exchange gains and losses are recorded in income for the period.

Non-monetary assets and liabilities denominated in foreign currencies that are assessed at historical cost are translated using the exchange rate on the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are assessed at fair value are translated using the exchange rate on the date that fair value is assessed.

Net investments in a foreign operation

Loans to a foreign subsidiary for which payment is neither planned nor probable in the foreseeable future are essentially a portion of the Group's net investment in that foreign operation. Foreign exchange gains and losses on monetary items that are part of a net investment are recognized directly in other comprehensive income as foreign exchange translation adjustments and are released to income on the disposal of the net investment.

Foreign exchange gains and losses on borrowings denominated in foreign currencies or foreign currency derivatives used to hedge net investments in foreign subsidiaries are recognized in other comprehensive income as foreign exchange translation adjustments. Amounts recognized in other comprehensive income are released to income on the sale date of the relevant investment.

VI.3. Acquisition of First Transit

VI.3.1. A project generating value for stakeholders

The acquisition of 100% of the capital of First Transit Inc. on March 6, 2023 (see note VI.1.1) constitutes a major strategic milestone for Transdev, significantly bolstering its competitive position in North America. The North American public transportation market is fast growing, offering attractive prospects for bus and coach operations, transportation for people with reduced mobility, and shuttle services.

With significant synergies in both commercial activities and geographical business locations in the United States and Canada, this merging of interests affords a new dimension for Transdev, with a service offer enriched by the know-how of both companies' teams.

VI.3.2. Provisional determination of assets and liabilities acquired at the effective control date

ACCOUNTING PRINCIPLES

Business combinations are accounted for using the acquisition method, as defined in IFRS 3. Under this method, identifiable assets acquired and liabilities assumed of the entity acquired are recognized at their fair value on the acquisition date.

Goodwill generated by a business combination is assessed as the excess of the total consideration transferred, the amount of any non-controlling interest and, if applicable, the fair value of any previously held interest, over the net of the amounts, on the acquisition date, of identifiable assets acquired and liabilities assumed. This goodwill is assessed in the functional currency of the entity acquired and is recognized as an asset in the consolidated statement of financial position.

On the acquisition date, the Group may elect for each transaction to assess non-controlling interests at either fair value (full goodwill) or at the proportionate share in the fair value of the acquired entity's identifiable net assets (partial goodwill).

Acquisition-related costs are recognized in profit or loss in the periods in which the costs are incurred, and the services received.

Pursuant to IFRS 3, the Group has an assessment period in which to finalize recognition of business combinations. This period ends when all necessary information has been obtained and no later than one year from the acquisition date.

When accounting for acquisitions of joint ventures, the Group applies the acquisition method, as defined by IFRS 3 "Business Combinations".

The First Transit Group financial statements are fully consolidated in the Transdev consolidated financial statements as of March 6, 2023.

Control of First Transit was achieved through cash payment for its shares, recognized in the "Purchase of financial investments" line of the consolidated statement of cash flows. This acquisition was mainly financed by a syndicated US dollar loan, indexed on annual environmental targets and male-female parity targets (see notes VI.1.1 and VI.8.1).

Pursuant to IFRS 3, Transdev has reassessed at their fair value, at the effective control date, of the identifiable assets and liabilities acquired and has determined the related deferred tax amounts, on a provisional basis, in the light of the information available. The assets and liabilities of First Transit acquired at the effective control date are set out as follows:

<i>(€ millions)</i>		
Other intangible assets		5.4
Property, plant and equipment		114.6
Right-of-use assets		44.2
Operating working capital requirements		219.7
Non-current and current provisions		(242.3)
Deferred tax assets (liabilities))		5.8
Net financial debt		(28.4)
<i>o/w cash and cash equivalents</i>		16.6
<i>o/w non-current and current lease liabilities</i>		(45.0)
Others		0.8
Net assets acquired	(a)	119.8
Equity and net income attributable to non-controlling interests	(b)	-
Share of net assets acquired	(c)=(a)-(b)	119.8
Fair value on the acquisition date of the total consideration transferred	(d)	454.4
PROVISIONAL GOODWILL	(d)-(c)	334.6

These values assigned to the assets and liabilities identifiable as of March 6, 2023, and to the euro / U.S. dollar exchange rate may evolve within a maximum of 12 months as from that date, on the basis of any new information concerning the facts and circumstances prevailing at the time of acquisition.

Provisional goodwill, determined as detailed above, chiefly reflects the growth potential of the business activities acquired, the human capital and expected synergy gains.

The activities of First Transit are geographically distributed in the United States and Canada, but provisional goodwill is presented in the "United States" cash generating unit as of December 31, 2023.

VI.3.3. Impact of consolidation on consolidated earnings

First Transit's contributions to revenue and operating result for fiscal year 2023 are €1,176.4 million and €24 million respectively (after factoring in consolidation costs). For the full year 2023, its revenue is estimated at €1.4 billion.

VI.4. Operational activities

VI.4.1. Operating result

ACCOUNTING PRINCIPLES

Sales of services (IFRS 15)

Five-step model

IFRS 15 “Revenue from Contracts with Customers” establishes a five-step model for determining when to recognize revenue and in what amount. The general principle of the model is that all companies should recognize revenue on the basis of the transfer of goods or services promised to customers for an amount that corresponds to the consideration they expect to receive in exchange for such goods or services.

The Group’s primary business is the public transportation of passengers. It consists of managing a portfolio of multi-year contracts that can have very different characteristics (modes of transportation, start date, term, margin profiles and compensation terms, indexation formulas, etc.). In the vast majority of cases:

- a performance-related system of bonuses/penalties is applied to these contracts. They are calculated and settled over periods ranging from month to year and are approved by the governance bodies of the public transit authorities;
- contracts usually have a revenue per unit of work (kilometers, hours, etc.) that is stable over time, assuming constant modes of transportation.

The customers are the public transit authorities (generally local authorities). Under most contracts, the promise to the customer is to provide an overall service, i.e., a public transportation network management service, in which the identified services are interdependent components. The main costs for providing this overall service are primarily for rolling stock (depreciation, leasing, financing), payroll, energy (electricity, fuel, hydrogen) and maintenance.

The public transit authorities simultaneously receive and consume the benefits of the service as it is provided by the Group. They verify the public service provided as it is delivered (i.e., as kilometers/hours/services progress).

Principal/agent analysis

If a third party is involved in providing goods or services to a customer, an entity must determine whether it is acting on its own behalf (principal: revenue recognized is the gross amount to which the entity expects to be entitled in consideration for the specified good or service provided) or as an agent (agent: revenue recognized is a net amount equal to the commission to which the entity expects to be entitled in consideration for the arrangements made for the specified good or service).

The key principle is that an entity acts as a principal if it obtains control of the promised good or service before it is transferred to the customer. The standard provides three indicators that an entity acts as a principal:

- the entity has primary responsibility for fulfilling the promise, including responsibility for the acceptability of the good or service and its compliance with the customer's specifications;
- the entity bears the risks associated with holding inventory, either before the goods are transferred to the customer or in the event of a return;
- the entity has the discretion to set the prices the customer pays for the goods or services.

The Group most often acts as a principal, in particular regarding access rights to the rail network in Germany and taxes and contributions.

Contract costs

IFRS 15 requires capitalizing the costs of acquiring contracts if both of the following conditions are met:

- these costs must be incremental, i.e., costs the entity would not have incurred if it had not acquired the contract; and
- the entity expects to recover them, i.e., the entity expects that the profit generated by the contract will be sufficient to absorb these costs.

The standard also addresses costs incurred to perform a contract. If the accounting treatment for such costs is not prescribed by another IFRS standard and they come within the scope of IFRS 15, the costs of performing the contract must be recognized as an asset only if they meet the following three conditions: they relate directly to the contract, they generate or enhance the resources of the entity that it will use to satisfy its performance obligations in the future and the entity expects to recover them. Capitalized costs incurred in the performance of a contract include certain costs sustained after the Group has been selected as a preferred bidder (restricted bid procedure) in call for bids processes but before it receives any payment from customers.

Capitalized contract costs are amortized over the term of the contracts. Impairment is recognized if their carrying amount, less amortization, exceeds the economic benefits expected from the contract.

Concession arrangements (IFRIC 12)

See note VI.5.4 on concession arrangements.

VI.4.1.1. Items comprising revenue and operating result

The items comprising revenue and operating result are shown below:

(€ millions)	2022	2023
Revenue from services	7,657.3	9,278.1
Revenue from sales of goods	42.2	46.6
Revenue from operating financial assets	7.7	4.9
REVENUE	7,707.2	9,329.6
Employee expenses	(4,124.2)	(5,244.9)
Impairment of operating receivables, net of reversals	10.2	(8.5)
Depreciation, amortization and operating provisions, net of reversals (excluding restructuring and impairment of operating receivables and goodwill)	(458.9)	(442.4)
Gains (losses) on disposals of capital assets	8.6	7.5
Others	(3,055.9)	(3,472.2)
CURRENT OPERATING RESULT	87.0	169.1
Restructuring costs (net of provisions and reversals)	5.2	(16.3)
Gains (losses) on disposals of financial assets	10.6	0.3
Impairment losses resulting from impairment tests and provisions for onerous contracts	(39.6)	(37.3)
Others	11.6	(3.6)
OPERATING RESULT	74.8	112.2
Share of net income (loss) of equity-accounted entities	6.2	5.7
OPERATING RESULT after share of net income (loss) of equity-accounted entities	81.0	117.9

At year-end 2023, the Group's consolidated revenue totaled €9,329.6 million. The main geographical areas in which the Group does business are France (€2,754.5 million), the United States (€2,334.9 million), Germany (€1,419.7 million), the Netherlands (€777.4 million) and Sweden (€602.7 million).

First Transit's contribution to revenue and operating result for 2023 is detailed in note VI.3.

The first analysis of eligibility and alignment of Group revenue with the European Union's sustainable-activities taxonomy (Regulation (EU) 2020/852 of June 18, 2020) is available in the statement of non-financial performance annexed to the management report.

VI.4.1.2. Reconciliation of EBITDA to operating result

(€ millions)	2022	2023
EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) ⁽¹⁾	512.4	595.8
Depreciation and amortization	(490.6)	(495.0)
Operating provisions, net of reversals	41.9	44.1
Gains (losses) on disposals of capital assets	8.6	7.5
Others	14.7	16.7
CURRENT OPERATING RESULT	87.0	169.1
Restructuring costs (net of provisions and reversals)	5.2	(16.3)
Gains (losses) on disposals of financial assets	10.6	0.3
Impairment losses resulting from impairment tests and provisions for onerous contracts	(39.6)	(37.3)
Others	11.6	(3.6)
OPERATING RESULT	74.8	112.2
Share of net income (loss) of equity-accounted entities	6.2	5.7
OPERATING RESULT after share of net income (loss) of equity-accounted entities	81.0	117.9

⁽¹⁾ Including impairment related to operating working capital requirements.

VI.4.1.3. Breakdown of net depreciation and amortization, provisions and impairment

The breakdown of the net depreciation, amortization, provisions and impairment expense in fiscal year 2023 is shown below:

(€ millions)	Operating	Financial	Tax	Total
Net provisions for impairment of assets ⁽¹⁾	(7.5)	2.3	(23.5)	(28.7)
Provisions for contingent liabilities	31.3	-	(18.9)	12.4
Current and non-current provisions	23.8	2.3	(42.4)	(16.3)
Depreciation, amortization and impairment of property, plant and equipment and intangible fixed assets	(248.4)	-	-	(248.4)
Depreciation, amortization and impairment of right-of-use assets	(224.6)	-	-	(224.6)
Impairment losses on goodwill, other non-current expenses resulting from impairment tests and adjustments to fair value of assets held for sale	(37.3)	-	-	(37.3)
DEPRECIATION, AMORTIZATION, PROVISIONS AND IMPAIRMENT	(486.5)	2.3	(42.4)	(526.6)

⁽¹⁾ Impairment losses on inventories and receivables are recorded in changes in working capital requirements in the Consolidated Statement of Cash Flows.

The provisions for contingent liabilities are discussed in note VI.9 and the impairment tests in note VI.6.2.

VI.4.2. Working capital requirements

Net WCR includes “operating” WCR (inventories, trade receivables, trade payables, other operating receivables and payables and tax receivables and payables excluding current taxes), “tax” WCR (current tax receivables and payables) and “investment” WCR (current receivables and payables on fixed asset acquisitions).

ACCOUNTING PRINCIPLES

In accordance with IAS 2 “Inventories”, inventories are assessed at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion or the estimated costs necessary to make the sale.

Trade receivables and payables are recorded at their nominal amount, unless discounting using the market interest rate has a material impact.

The Group applies the simplified approach for assessing impairment losses on its trade receivables, in accordance with the possibility available under IFRS 9.

Trade payables are assessed using the amortized cost of liabilities method.

VI.4.2.1. Changes in working capital requirements by type

Changes in each of these types of WCR in fiscal year 2023 are shown below:

(€ millions)	December 31, 2022	Change in business	Net impairment losses	Change in consolidation scope	Currency impact	Other changes	December 31, 2023
Inventories and work in progress ⁽¹⁾	145.4	24.0	(2.1)	15.1	(1.4)	-	181.0
Operating receivables	1,558.6	(136.4)	(6.5)	311.2	(21.5)	(0.4)	1,704.9
Operating payables	(2,203.7)	(135.1)	-	(110.3)	14.7	(3.1)	(2,437.5)
OPERATING WORKING CAPITAL REQUIREMENTS ⁽²⁾	(499.7)	(247.5)	(8.6)	216.0	(8.2)	(3.5)	(551.6)
Tax receivables (income tax)	17.1	11.5	-	5.4	(0.6)	-	33.4
Tax payables (income tax)	(20.9)	0.5	-	-	0.2	(0.2)	(20.4)
TAX AMOUNTS IN WORKING CAPITAL REQUIREMENTS	(3.8)	12.0	-	5.4	(0.4)	(0.2)	13.0
Other receivables	37.0	7.8	0.1	-	(0.1)	(13.2)	31.6
Other payables	(69.7)	2.7	-	(0.1)	(0.8)	(0.5)	(68.4)
INVESTMENTS IN WORKING CAPITAL REQUIREMENTS	(32.7)	10.5	0.1	(0.1)	(0.9)	(13.7)	(36.8)
NET WORKING CAPITAL REQUIREMENTS	(536.2)	(225.0)	(8.5)	221.3	(9.5)	(17.4)	(575.4)

⁽¹⁾ Net inventories and work in progress correspond mainly to raw materials and spare parts.

⁽²⁾ The change in working capital requirements in the Consolidated Statement of Cash Flows is equal to the sum of the "Changes in business" and the "Net impairment losses" of the operating working capital requirements presented above.

VI.4.2.2. Change in operating working capital

Changes in operating receivables in fiscal year 2023 are shown below:

(€ millions)	December 31, 2022	Change in business	Impairment losses ⁽¹⁾	Reversal of impairment losses ⁽¹⁾	Change in consolidation scope	Currency impact	Other changes	December 31, 2023
OPERATING RECEIVABLES								
Trade receivables, gross amount	1,103.5	(60.2)	-	-	298.2	(20.1)	(0.7)	1,320.7
Impairment on trade receivables ⁽¹⁾	(23.3)	-	(8.7)	6.8	(9.4)	0.5	0.1	(34.0)
Trade receivables	1,080.2	(60.2)	(8.7)	6.8	288.8	(19.6)	(0.6)	1,286.7
Other operating receivables, gross amount	482.2	(76.2)	-	-	22.4	(1.9)	0.1	426.6
Impairment on other operating receivables	(3.9)	-	(5.9)	1.3	-	-	0.1	(8.4)
Other operating receivables	478.3	(76.2)	(5.9)	1.3	22.4	(1.9)	0.2	418.2
Other receivables	37.0	7.8	-	0.1	-	(0.1)	(13.2)	31.6
Tax receivables	17.1	11.5	-	-	5.4	(0.6)	-	33.4
OPERATING RECEIVABLES	1,612.6	(117.1)	(14.6)	8.2	316.6	(22.2)	(13.6)	1,769.9

⁽¹⁾ Impairment losses are recorded in operating result and included in the line "Changes in working capital requirements" in the Consolidated Statement of Cash Flows.

Changes in operating payables in fiscal year 2023 are shown below:

(€ millions)	December 31, 2022	Change in business	Change in consolidation scope	Currency impact	Other changes	December 31, 2023
OPERATING PAYABLES						
Trade payables	599.8	61.1	53.7	(5.0)	(0.9)	708.7
Other current operating payables	1,603.9	74.0	56.6	(9.7)	4.0	1,728.8
Other payables	69.7	(2.7)	0.1	0.8	0.5	68.4
Tax payables	20.9	(0.5)	-	(0.2)	0.2	20.4
OPERATING PAYABLES	2,294.3	131.9	110.4	(14.1)	3.8	2,526.3

VI.4.3. Employee expenses and workforce

VI.4.3.1. Employee expenses

Employee expenses totaled approximately €5,244.9 million in 2023 (€4,124.2 million in 2022).

Post-employment benefits and other long-term benefits are described in note VI.9.2.

VI.4.3.2. Workforce

DEFINITION

The consolidated full-time equivalent workforce is equal to the number of employees of each subsidiary, calculated as a full-time equivalent for the fiscal year, on the basis of working hours and employment rates. That figure is then consolidated using the consolidation method applied to the company within the consolidation scope:

- Employees of fully consolidated companies are included in full during the consolidation period;
- Employees of joint operations are included only in proportion to their consolidation rate during the consolidation period;
- Employees of companies consolidated using the equity method are not included.

The average headcount for the activities carried on amounts to 95,086 employees in consolidated FTE, including 17,129 for First Transit (average headcount calculated over approximately ten months). It breaks down geographically as follows:

AVERAGE NUMBER OF EMPLOYEES	2022	2023
United States	13,100	29,598
France	30,091	28,828
Germany	6,466	6,716
Netherlands	5,100	5,394
Sweden	3,862	5,252
Pacific	4,259	4,067
Canada	1,684	4,014
Others	10,366	11,218
TOTAL	74,928	95,086

VI.5. Other intangible assets, property, plant and equipment, right-of-use assets and operating financial assets

For contracts with public transit authorities, the rolling stock is supplied:

- by the public transit authority; or
- by Transdev, which in such case either owns or leases the equipment.

In all cases, the equipment must comply with the specifications established by the public transit authorities. For many years, Transdev has been actively involved alongside its public customers in promoting the energy transition in public transportation.

For the rolling stock it owns or leases, Transdev ensures that the useful lives determined, and their residual values are appropriate, taking into account the term of the contracts associated with these assets, technological developments and environmental laws in force locally.

VI.5.1. Intangible assets excluding goodwill

ACCOUNTING PRINCIPLES

Intangible assets are identifiable non-monetary assets without physical substance. They include mainly access fees paid to local authorities under contracts, the value of contracts and portfolios acquired in connection with business combinations, assets constituted under agreements (IFRIC 12), trademarks, patents, licenses, software and operating rights.

Intangible assets (excluding goodwill) are recognized at historical acquisition cost, less accumulated depreciation and any accumulated impairment losses.

If intangible assets have a definite useful life, they are amortized on a straight-line basis over their useful life, unless another systematic amortization basis better reflects the rate of consumption of the asset. Useful lives are as follows:

	Range of useful lives in number of years ⁽¹⁾
Contractual rights	contract-based
Portfolios	based on a period covering 80% of discounted flows
Purchased software	3 to 10 years

⁽¹⁾ The range of useful lives is due to the diversity of relevant assets.

All intangible assets excluding goodwill are subject to impairment testing annually, as soon as there are indicators that may call into question the value recognized in assets in the consolidated statement of financial position.

The table below shows intangible assets, broken down by asset class and flow:

(€ millions)	Concession intangible assets	Contract costs	Trademarks	Other intangible assets with indefinite useful life	Intangible assets with indefinite useful life	Contracts and portfolios acquired	Software acquired	Other intangible assets with a definite useful life	Intangible assets with a definite useful life	Other intangible assets
As of January 1, 2022	10.7	5.7	26.6	-	26.6	11.2	28.5	20.7	60.4	103.4
Investments	4.8	3.0	-	-	-	-	5.2	10.9	16.1	23.9
Disposals	-	-	-	-	-	-	(0.2)	(2.6)	(2.8)	(2.8)
Impairment losses and amortization	(6.8)	(1.1)	-	-	-	(1.3)	(9.8)	(6.1)	(17.2)	(25.1)
Currency impact	0.2	(0.3)	-	-	-	(0.1)	(0.2)	-	(0.3)	(0.4)
Other movements	-	-	-	-	-	-	(0.9)	(2.0)	(2.9)	(2.9)
TOTAL AS OF DECEMBER 31, 2022	8.9	7.3	26.6	-	26.6	9.8	22.6	20.9	53.3	96.1
o/w gross amounts	29.4	11.3	87.9	2.5	90.4	279.1	125.2	55.0	459.3	590.4
o/w cumulated amortization and impairment	(20.5)	(4.0)	(61.3)	(2.5)	(63.8)	(269.3)	(102.6)	(34.1)	(406.0)	(494.3)
As of January 1, 2023	8.9	7.3	26.6	-	26.6	9.8	22.6	20.9	53.3	96.1
Investments	0.8	0.7	-	-	-	1.3	7.3	10.0	18.6	20.1
Disposals	-	-	-	-	-	-	(0.1)	(2.0)	(2.1)	(2.1)
Impairment losses and amortization	(5.7)	(1.5)	-	-	-	10.3	(9.0)	(4.6)	(3.3)	(10.5)
Change in consolidation scope	-	-	-	-	-	8.0	-	(0.1)	7.9	7.9
Currency impact	(0.3)	-	-	-	-	(0.7)	-	(0.1)	(0.8)	(1.1)
Other movements	-	-	-	-	-	0.3	7.5	(3.1)	4.7	4.7
TOTAL AS OF DECEMBER 31, 2023	3.7	6.5	26.6	-	26.6	29.0	28.3	21.0	78.3	115.1
o/w gross amounts	28.7	12.0	85.9	2.0	87.9	280.5	133.0	59.5	473.0	601.6
o/w cumulated amortization and impairment	(25.0)	(5.5)	(59.3)	(2.0)	(61.3)	(251.5)	(104.7)	(38.5)	(394.7)	(486.5)

VI.5.2. Property, plant and equipment

ACCOUNTING PRINCIPLES

Property, plant and equipment are accounted for at historical acquisition cost to the Group, less accumulated depreciation and any accumulated impairment losses.

Borrowing costs incurred to finance the acquisition and construction of installations

Borrowing costs for the purpose of financing the acquisition and construction of specific installations that are incurred during the construction period are included in the cost of these assets, in accordance with IAS 23 "Borrowing Costs".

Investment grants for property, plant and equipment

In accordance with the option offered under IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance", investment grants are deducted from the gross carrying amount of the assets for which they were received. They are recognized as a reduction in the depreciation charge over the useful life of the depreciable asset.

If construction of an asset takes place over more than one period, the portion of the grant not yet used is recorded as a liability in "other liabilities".

Depreciation and impairment

Property, plant and equipment are recorded by component and each component is depreciated over its useful life. Tangible assets are mainly depreciated on a straight-line basis over their useful life, unless another systematic depreciation basis better reflects the rate of consumption of the asset. The range of useful lives used for the Group is as follows, by type of fixed assets:

Property, plant and equipment	Range of useful lives in number of years ⁽¹⁾
Buildings	20 to 25 years
Installations, fixtures and improvements	8 to 15 years
General plant assets	10 years
Machinery and equipment	5 to 10 years
Computer equipment	3 to 5 years
Office equipment and furniture	3 to 10 years
Coaches and buses	6.5 to 16 years
Minibuses	6 to 8 years
Locomotive frames / bogies / cabs	24 years
Locomotive engines	18 to 24 years
Heavy lifting equipment for overhaul of rolling stock	8 years

⁽¹⁾ The range of useful lives is due to the diversity of relevant assets and to the ways assets are used.

The carrying amounts of property, plant and equipment are reviewed at year-end to determine if there is any indication that the value of an asset has become impaired.

The table below shows property, plant and equipment, broken down by asset class and flow:

(€ millions)	Transport equipment	Plant and equipment	Buildings	Land	Other	Property, plant and equipment
As of January 1, 2022	725.5	67.0	84.7	64.3	149.3	1,090.8
Investments	255.1	17.1	8.1	5.1	64.2	349.6
Disposals	(31.3)	(2.5)	(4.0)	(2.5)	(5.3)	(45.6)
Impairment losses and depreciation	(154.7)	(16.8)	(10.6)	(0.8)	(24.2)	(207.1)
First consolidations	10.8	0.5	2.8	0.4	-	14.5
Removals from consolidation scope	-	-	(0.1)	(0.1)	(0.1)	(0.3)
Currency impact	(8.5)	(0.3)	(0.5)	0.1	0.3	(8.9)
Reclassification as assets held for sale	-	-	(0.2)	-	-	(0.2)
Other movements	9.2	14.7	8.5	3.3	(45.5)	(9.8)
TOTAL AS OF DECEMBER 31, 2022	806.1	79.7	88.7	69.8	138.7	1,183.0
o/w gross amounts	2,025.2	299.9	254.5	78.0	317.9	2,975.5
o/w cumulated depreciation and impairment	(1,219.1)	(220.2)	(165.8)	(8.2)	(179.2)	(1,792.5)
As of January 1, 2023	806.1	79.7	88.7	69.8	138.7	1,183.0
Investments	218.3	14.4	8.9	0.8	91.0	333.4
Disposals	(21.5)	(3.7)	(12.6)	(7.4)	(9.6)	(54.8)
Impairment losses and depreciation	(189.7)	(21.2)	(7.5)	0.1	(36.2)	(254.5)
First consolidations	74.7	9.0	13.2	6.8	20.1	123.8
Removals from consolidation scope	(0.9)	-	-	-	(0.1)	(1.0)
Currency impact	(5.9)	(1.1)	(0.4)	(0.8)	(1.1)	(9.3)
Other movements	5.1	9.9	4.4	2.7	(24.1)	(2.0)
TOTAL AS OF DECEMBER 31, 2023	886.2	87.0	94.7	72.0	178.7	1,318.6
o/w gross amounts	2,183.0	253.0	265.3	78.4	483.8	3,263.5
o/w cumulated depreciation and impairment	(1,296.8)	(166.0)	(170.6)	(6.4)	(305.1)	(1,944.9)

VI.5.3. Leases

The Group's leases mainly concern rolling stock and properties (depots and offices).

ACCOUNTING PRINCIPLES

Leases, as defined by IFRS 16 "Leases", are recorded in the consolidated statement of financial position, which leads to the recognition of an asset representing a right-of-use of the asset leased during the lease term of the contract and to the recognition of a liability related to the payment obligation.

Lease term

The term of the lease is determined for each contract, taking into account, in particular, the useful life of leasehold improvements that are not removable from the leased property. The lease term corresponds mainly to the non-cancellable period of each contract, except in cases where the Group is reasonably certain of exercising the renewal options contractually foreseen.

Lease liabilities

At commencement date, the lease liability is assessed at the present value of the lease payments for the term of the lease, which include: the fixed payments, the variable lease payments that depend on an index or a rate, initially assessed using the index or the rate in force at the commencement date of the lease; the amounts expected to be payable by the lessee under residual value guarantees and the payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Non-lease components, such as management fees, taxes or the provision of a maintenance service are not included.

The discount rates used consist of either the implicit interest rate in the lease or the incremental borrowing rate, which is determined by currency, maturity and country.

Right-of-use assets

At commencement date, the right-of-use asset is assessed at cost and comprises:

- the amount of the initial assessment of the lease liability, to which is added, if applicable, any lease payments made at or before the commencement date, less any lease incentives received from the lessor;
- where relevant, any initial direct costs incurred by the lessee for the conclusion of the contract. These are incremental costs which would not have been incurred if the contract had not been concluded;
- estimated costs for restoration and dismantling of the leased asset according to the terms of the contract.

The right-of-use asset is depreciated over the lease term. The carrying amount of the asset is reviewed at year-end to determine if there is any indication that it has become impaired.

Exemptions

For short-term leases and leases for which the underlying asset is of low value, the Group uses the two exemptions permitted by the standard (recognition of full lease expenses in operational profit and loss).

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As of December 31, 2023, right-of-use assets were concentrated primarily in France (€341 million) and in Germany (€247 million). The table below shows right-of-use assets, broken down by asset class and flow:

(€ millions)	Right-of-use - Rolling stock and other transportation equipment	Right-of-use - Real estate	Right-of-use - other	Right-of-use assets
As of January 1, 2022	730.6	235.6	18.2	984.4
Investments	83.8	70.5	10.4	164.7
Disposals	(7.4)	(8.8)	(1.5)	(17.7)
Impairment losses and depreciation	(158.6)	(62.5)	(8.0)	(229.1)
Removals from consolidation scope	-	-	(0.1)	(0.1)
Currency impact	(12.9)	(1.7)	0.1	(14.5)
Other movements	(2.3)	0.2	-	(2.1)
TOTAL AS OF DECEMBER 31, 2022	633.2	233.3	19.1	885.6
<i>o/w gross amounts</i>	<i>1,501.6</i>	<i>457.8</i>	<i>36.5</i>	<i>1,995.9</i>
<i>o/w cumulated depreciation and impairment</i>	<i>(868.4)</i>	<i>(224.5)</i>	<i>(17.4)</i>	<i>(1,110.3)</i>
As of January 1, 2023	633.2	233.3	19.1	885.6
Investments	127.2	62.0	16.0	205.2
Disposals	(3.6)	(9.4)	(0.9)	(13.9)
Impairment losses and depreciation	(136.9)	(70.1)	(9.7)	(216.7)
First consolidations	-	44.2	-	44.2
Removals from consolidation scope	(0.4)	(0.4)	(1.4)	(2.2)
Currency impact	0.1	(2.3)	(0.2)	(2.4)
Other movements	-	1.2	(1.2)	-
TOTAL AS OF DECEMBER 31, 2023	619.6	258.5	21.7	899.8
<i>o/w gross amounts</i>	<i>1,517.3</i>	<i>517.8</i>	<i>39.8</i>	<i>2,074.9</i>
<i>o/w cumulated depreciation and impairment</i>	<i>(897.7)</i>	<i>(259.3)</i>	<i>(18.1)</i>	<i>(1,175.1)</i>

Information relating to lease liability is available in note VI.8.1.

The rents resulting from non-capitalized leases are shown below:

(€ millions)	2022	2023
Expense relating to short-term leases	(27.0)	(25.9)
Expense relating to leases of low-value asset	(3.3)	(4.7)
Expense relating to variable lease payments	(8.4)	(7.5)

VI.5.4. Concession activities: current and non-current operating financial assets

Operating financial assets include financial assets recognized as a result of applying IFRIC 12 on concession arrangements.

ACCOUNTING PRINCIPLES

Group assets

A share of the Group's assets is used in connection with concession or public service management contracts granted by public sector customers ("concession grantors") or signed by concessionaires purchased by the Group pursuant to total or partial privatizations. The characteristics of these contracts vary significantly by country. Nevertheless, they generally provide, directly or indirectly, for the concession grantor's involvement on the one hand in determining the service and compensation, and on the other, the return of assets necessary to perform the service at the end of the contract.

IFRIC Interpretation 12 "Service Concession Arrangements", is applicable to concession arrangements comprising a public service obligation and meeting the following criteria: the concession grantor controls or regulates the services to be provided by the operator using the asset, the infrastructure, the beneficiaries of the services and prices applied; and the concession grantor controls the residual economic value of the infrastructure at the end of the arrangement. Pursuant to IFRIC Interpretation 12, such infrastructures are not recognized as fixed assets of the operator, but as financial assets ("financial asset model") and/or intangible assets ("intangible asset model"), depending on the compensation paid by the concession grantor.

Financial asset model

The financial asset model applies if the operator has an unconditional right to receive cash or another financial asset from the concession grantor, in compensation for concession services. In the case of concession services, the operator has such an unconditional right if the concession grantor contractually guarantees payment of amounts specified or determined in the contract, or of any shortfall, i.e., the difference between amounts received from users of the public service and amounts specified or determined in the contract.

Financial assets resulting from the application of IFRIC Interpretation 12 are recorded in the consolidated statement of financial position under a separate heading entitled "Operating financial assets". They are recognized at amortized cost unless otherwise indicated in the contract, the effective interest rate retained is equal to the weighted average cost of capital of the entities carrying the relevant assets. The portion that matures in less than one year is presented in "Current operating financial assets", and the portion that matures in more than one year is presented in "Non-current operating financial assets".

In accordance with IFRS 9 "Financial Instruments," these assets are impaired using a model based on expected credit losses.

Cash flows associated with these operating financial assets are included in the consolidated statement of cash flows in net cash used in investing activities.

Revenue associated with this financial model includes remuneration of the operating financial asset accounted for in Revenue from operating financial assets (excluding principal payments) and the compensation for the service.

Intangible asset model

The intangible asset model applies if the operator is paid by the users or if the concession grantor makes no contractual guarantee concerning the recoverable amount. The intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of service as compensation for the concession services.

Intangible assets resulting from the application of IFRIC Interpretation 12 are recognized in the consolidated statement of financial position under a separate heading entitled "Concession intangible assets". These assets are generally amortized on a straight-line basis over the term of the contract.

Outgoing cash flows, i.e., disbursements, associated with infrastructure construction pursuant to "intangible asset model" concession arrangements are presented in the consolidated statement of cash flows in net cash from investing activities, and incoming cash flows are presented in net cash generated by the activity.

Under the intangible asset model, revenue corresponds to compensation for the service.

Mixed or bifurcation model

The choice of the financial asset or intangible asset model depends on the existence of payment guarantees made by the concession grantor. However, certain contracts may include a payment commitment on the part of the concession grantor covering only part of the investment, with the balance covered by fees charged to users. In such a case, the investment amount guaranteed by the concession grantor is recognized using the financial asset model and the balance is recognized using the intangible asset model.

Investment grants related to concession arrangements

Investment grants received in connection with concession arrangements are generally vested and are therefore not repayable. In accordance with the option offered by IAS 20, these grants are presented as a deduction from intangible assets or financial assets, depending on the model chosen when the concession arrangement is interpreted (IFRIC 12):

- under the intangible asset model, investment grants reduce amortization expense for intangible assets within the scope of the concession over the residual term of the concession arrangement,
- under the financial asset model, investment grants are treated as a method of repaying the operating financial asset.

Assets provided to the Group by concession grantors or by a third party in consideration for the payment of lease installments

Under certain concession arrangements, the rolling stock is provided to the Group in consideration for the payment of lease installments, in which case the legal form of the arrangement is a lease contract. At the same time, the concession grantor grants the Group unconditional reimbursement rights in an equivalent amount.

Due to the fact that the concession grantors control the use of the rolling stock, the Group cannot apply IFRS 16 to these contracts. Therefore, these future lease payments are treated as the acquisition cost of the concession contract, and their present value is reported in the "Provision of rolling stock under concession arrangements - non-current part" and "Provision of rolling stock under concession arrangements - current part" items of the consolidated statement of financial position. These liabilities are not included in the definition of the Group's "Net Financial Debt" indicator because they are future lease payments for rolling stock that are fully secured by revenues, of the same amount and with the same maturities, to be paid by the concession grantor.

The reimbursement rights, of an equivalent amount, are classified as "Non-current operating financial assets" and "Current operating financial assets" in the consolidated statement of financial position.

These transactions have no impact on the consolidated statement of cash flows throughout the term of the contract.

In the consolidated income statement, amounts paid by concession grantor are set off against the lease installments the Group pays for the rolling stock provided to it.

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(€ millions)	Operating financial assets representing property, plant and equipment restated in accordance with IFRIC 12 ⁽¹⁾	Operating financial assets covering future lease payments ⁽²⁾	Operating financial assets
As of January 1, 2022	255.8	302.7	558.5
Additions	27.3	-	27.3
Repayments / disposals	(122.7)	-	(122.7)
Impairment losses	1.8	-	1.8
Currency impact	(0.5)	(6.8)	(7.3)
Other movements ⁽³⁾	(5.2)	175.8	170.6
TOTAL AS OF DECEMBER 31, 2022	156.5	471.7	628.2
o/w gross amounts	162.0	471.7	633.7
o/w impairment	(5.5)	-	(5.5)
As of January 1, 2023	156.5	471.7	628.2
Additions	29.1	-	29.1
Repayments / disposals	(96.3)	-	(96.3)
Impairment losses	2.5	-	2.5
Currency impact	(1.1)	(3.0)	(4.1)
Other movements ⁽³⁾	18.4	109.6	128.0
TOTAL AS OF DECEMBER 31, 2023	109.1	578.3	687.4
o/w gross amounts	111.0	578.3	689.3
o/w impairment	(1.9)	-	(1.9)
o/w < 1 year	29.9	61.0	90.9
o/w > 1 year and < 5 years	62.9	259.8	322.7
o/w > 5 years	16.3	257.5	273.8

⁽¹⁾ These amounts correspond to the unconditional rights to receive remuneration from the concession grantors in respect of the financing of rolling stock on behalf of concession grantors.

⁽²⁾ These amounts correspond to the unconditional rights to receive remuneration from the concession grantors in respect of lease payments to be made related to rolling stock.

⁽³⁾ These amounts are mainly explained by a new unconditional right to receive remuneration in respect of lease payments to be made relating to railway equipment.

With respect to operating financial assets representing property, plant and equipment restated applying IFRIC 12 (Group assets):

- Cash flows associated with these operating financial assets (new assets and principal repayments) are broken down in the net cash flows associated with investment transactions presented in the consolidated statement of cash flows (see note IV).
- Revenue generated by operating financial assets is reported as revenue; it is broken down in note VI.4.1.

As of December 31, 2023, operating financial assets were concentrated primarily in Germany (€303.9 million), the Netherlands (€148.7 million) and Sweden (€134.4 million).

VI.6. Goodwill

VI.6.1. Changes during the period and breakdown by cash generating unit

ACCOUNTING PRINCIPLES

Business combinations and goodwill

See note VI.3.2.

Pursuant to IFRS, goodwill is not amortized but is subject to impairment tests performed annually, and more frequently if there are indications that call into question the carrying amounts recognized as assets in the consolidated statement of financial position.

If a business combination is made on particularly advantageous terms, negative goodwill is recognized. The corresponding gain is recognized as income.

Cash generating units (CGU)

A cash generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash flows generated by other assets or groups of assets. In light of the Group's business, cash generating units generally corresponds to a country in which the Group operates.

For the purposes of impairment testing, as of the acquisition date, goodwill is allocated to each cash generating unit or group of cash generating units that should benefit from the business combination.

(€ millions)	United States ⁽¹⁾	France	Canada	Germany	Australia and New Zealand	Central Europe	United Kingdom & Ireland	Netherlands	Iberia	Iberia	Goodwill
As of January 1, 2022	102.2	360.2	33.2	43.6	42.8	20.9	12.7	4.1	5.0	-	624.7
Change in consolidation scope	-	(1.0)	10.5	-	-	7.2	-	-	-	-	16.7
Currency impact	6.5	-	(0.4)	-	(0.3)	0.6	(0.7)	-	-	-	5.7
Other movements	-	0.1	-	-	-	-	-	-	(3.3)	-	(3.2)
TOTAL DECEMBER 31, 2022	108.7	359.3	43.3	43.6	42.5	28.7	12.0	4.1	1.7	-	643.9
<i>o/w gross amounts</i>	<i>136.4</i>	<i>641.3</i>	<i>58.5</i>	<i>164.1</i>	<i>80.4</i>	<i>28.7</i>	<i>39.7</i>	<i>317.8</i>	<i>11.8</i>	<i>52.1</i>	<i>1,530.8</i>
<i>o/w cumulated impairment</i>	<i>(27.7)</i>	<i>(282.0)</i>	<i>(15.2)</i>	<i>(120.5)</i>	<i>(37.9)</i>	<i>-</i>	<i>(27.7)</i>	<i>(313.7)</i>	<i>(10.1)</i>	<i>(52.1)</i>	<i>(886.9)</i>
As of January 1, 2023	108.7	359.3	43.3	43.6	42.5	28.7	12.0	4.1	1.7	-	643.9
Change in consolidation scope	334.6	(1.1)	15.1	-	-	-	-	-	-	-	348.6
Currency impact	(16.9)	-	(0.2)	-	(1.5)	(0.5)	0.2	-	-	-	(18.9)
Other movements	-	0.1	(2.4)	-	-	(2.8)	-	(0.2)	-	-	(5.3)
TOTAL DECEMBER 31, 2023	426.4	358.3	55.8	43.6	41.0	25.4	12.2	3.9	1.7	-	968.3
<i>o/w gross amounts</i>	<i>453.1</i>	<i>640.2</i>	<i>70.8</i>	<i>164.1</i>	<i>77.6</i>	<i>25.4</i>	<i>40.5</i>	<i>317.6</i>	<i>11.8</i>	<i>52.2</i>	<i>1,853.3</i>
<i>o/w cumulated impairment</i>	<i>(26.7)</i>	<i>(281.9)</i>	<i>(15.0)</i>	<i>(120.5)</i>	<i>(36.6)</i>	<i>-</i>	<i>(28.3)</i>	<i>(313.7)</i>	<i>(10.1)</i>	<i>(52.2)</i>	<i>(885.0)</i>

⁽¹⁾ The "United States" CGU includes First Transit (United States and Canada).

The increase over the period is chiefly explained by recognition of goodwill relating to the acquisition of First Transit (see notes VI.1.1 and VI.3).

VI.6.2. Impairment tests

ACCOUNTING PRINCIPLES

Goodwill and other intangible assets with an indefinite useful life are systematically tested for impairment each fiscal year and whenever there is an indication that the cash generating unit ("CGU") may have lost value. Changes in the overall economic and financial context, deterioration in local economic environments and changes in economic performances are among the external indicators of impairment that the Group analyses to determine if impairment tests should be conducted more frequently.

The need to recognize an impairment loss is determined by comparing the carrying amount of a CGU and its recoverable amounts. If the recoverable amount calculated is less than the net carrying amount of an asset or group of assets, an impairment loss is recognized. Impairments of fixed assets may be reversed, except impairments of goodwill. If applicable, impairment of goodwill is recognized in the operating result, in "Other operating income and expenses"; it is definitive.

Assessing recoverable amount

Changes in the economic, financial, regulatory, employment and health environment, as well as changes in economic performance, may affect estimates of the recoverable amount, which is defined as the higher of fair value, less costs to sell, and value in use.

Fair value less costs to sell is assessed on the basis of available information enabling the best estimate of sale value less the costs necessary to make a sale, under normal competitive conditions between well-informed and consenting parties.

The value in use assessed by the Group is equal to the present value of future cash flows from CGUs or groups of CGUs, taking into account their residual value, on the basis of the following factors:

- Projected cash flows are based on the long-term plan prepared during the second semester and subsequently submitted to the Strategic Committee. Cash flow projections reflect changes in volumes, rates, direct costs (including energy) and investments during the period, established on the basis of, first, contracts or business activities using historical data and, second, expected changes during the period covered by the long-term plan. This plan covers fiscal year 2024 and the next five years. This period corresponds to the average duration of the Group's portfolio of long-term contracts and its short-term business activities;
- Final values are assessed on the basis of the present value of projected cash flows for the last year of the long-term plan (2029). These cash flows are estimated for each CGU on the basis of a continuous growth rate that takes factors such as inflation into account;
- A discount rate (weighted average cost of capital) is determined for each asset and cash generating unit at the end of the second half of 2023: this rate corresponds to a risk-free rate, increased by a risk premium weighted on the basis of specific country risks. Therefore, the discount rates estimated by management for each cash generating unit reflect current assessments of the market, the time value of money and country risks specific to the CGU only; other risks are included in future cash flows;
- Restructuring plans not yet implemented are not included in the cash flow projections used to assess value in use.

Goodwill is tested for impairment taking into account the impacts of IFRS 16, in particular including right-of-use assets in the value of capital employed tested, excluding lease payments from future cash flows used to determine value in use, and using a discount rate that takes into account right-of-use assets.

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Projected cash flows are based on the long-term plan prepared during the second semester of fiscal year 2023 and approved by the Group Board of Directors on March 5, 2024. This long-term plan was produced for each country.

These cash flow projections were made on the basis of the immediate situation, taking into account the current context and available information. These projections notably include investment in non-diesel rolling stock contracted by Transdev and recognized at the date of drawing-up of the long-term plan (see note VI.2.3.2).

Due to the level of uncertainty about the various parameters, sensitivity analyses are of particular importance.

VI.6.2.1. Key assumptions used to assess recoverable amounts

The discount rates and average perpetual growth rates used in 2023 are shown below:

	Determination of the recoverable amount	Discount rates ⁽¹⁾		Perpetual growth rates	
		2022	2023	2022	2023
France	Value in use	6.1%	6.3%	2.0%	2.0%
Germany	Value in use	5.7%	5.9%	2.0%	2.0%
Sweden	Value in use	6.7%	6.9%	2.0%	2.0%
United States	Value in use	6.7%	6.9%	2.0%	2.2%
Canada	Value in use	6.7%	6.8%	2.0%	2.0%

⁽¹⁾ After taking into account the right-of-use assets.

VI.6.2.2. Impairment recognized in the fiscal year and sensitivity of impairment tests

Impairment tests were performed on all cash generating units. No impairment of goodwill was recognized during fiscal year 2023.

Recoverable amounts assessed within the framework of impairment tests underwent a sensitivity analysis on the basis of a discount rate increased by 0.5%, a perpetual growth rate decreased by 0.5% and operating cash flows decreased by 5%. These assumptions concerning changes are considered reasonable in light of the Group's business activities and the geographical areas where such business activities are conducted.

On the test dates for the "Germany" and "Sweden" CGUs, in the event of a 0.5% increase in the discount rate, these impairment tests would result in a recoverable amount approximately €6 million lower than the carrying value of the CGUs. For both these CGUs, a 0.5% decrease in the perpetual growth rate or a 5% decrease in operating cash flows does not result in a recoverable amount lower than the carrying value.

VI.7. Companies consolidated under the equity method and non-consolidated investments

The main companies consolidated in the consolidated financial statements are presented in note VI.15.

Commitments in connection with the Group's scope are described in note VI.11.

VI.7.1. Joint ventures and associates

ACCOUNTING PRINCIPLES

Definition

An associate is an entity over which the Group has significant influence. Significant influence is constituted by the power to participate in the financial and operating policy decisions of the entity, without exercising control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties ("joint venturers") that have joint control of the entity have rights to its net assets. Joint control is the contractually agreed sharing of control of an entity, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Equity method

The results and assets and liabilities of associates or joint ventures are incorporated in the Group's consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with the provisions of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

Under the equity method, the investment in the associate or joint venture is initially recognized at acquisition cost and is adjusted thereafter to reflect the Group's share of the net income and other comprehensive income of the associate or joint venture.

An investment is accounted for using the equity method from the date on which the entity becomes an associate or joint venture. On acquisition of the investment in an associate or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the entity's identifiable assets and liabilities is recognized as goodwill; this goodwill is integrated in the line "Investments in joint ventures" or "Investments in associates". Any excess of the net fair value of the entity's identifiable assets and liabilities over the cost of the investment is recognized in profit or loss.

Presentation of the share of net income of the Group's equity-accounted entities in the consolidated income statement

Pursuant to recommendation no. 2013-01 issued by the French Accounting Standards Authority (*Autorité des Normes Comptables*, ANC) on April 4, 2013, and if the activities of the equity-accounted entities are in line with the Group's activities, the share of net income of the Group's equity-accounted entities is included in the line "Operating result after share of net profit (loss) of equity-accounted entities".

When a Group entity transacts with an associate or joint venture of the Group, profits and losses resulting from the transaction with the associate or joint venture are recognized in the Group's consolidated financial statements solely to the extent of interests held by third parties in the associate or joint venture.

Impairment tests

The requirements of IFRS 9 "Financial Instruments" are applied to determine whether it is necessary to test for impairment with respect to the investment in an associate or joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 "Impairment of Assets".

Loss of significant influence or joint control

The equity method is no longer applied from the date the investment ceases to be an associate or a joint venture. If the Group retains a residual interest in the entity and that interest is a financial asset, the financial asset is assessed at fair value at the date the investment ceases to be an associate or a joint venture.

If an investment in an associate becomes an investment in a joint venture, or vice versa, the equity method continues to be applied and the change in ownership interest does not trigger reassessment to fair value.

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(€ millions)	Equity value		Share of net income	
	As of December 31, 2022	As of December 31, 2023	As of December 31, 2022	As of December 31, 2023
France	8.8	12.6	4.9	4.2
Latin America	7.2	8.5	0.2	1.2
Germany	5.4	5.2	0.5	0.6
Other	1.4	1.2	0.8	(0.1)
INVESTMENTS IN JOINT VENTURES	22.8	27.5	6.4	5.9
France	2.8	2.6	(0.2)	(0.2)
Other	(0.1)	-	-	-
INVESTMENTS IN ASSOCIATES	2.7	2.6	(0.2)	(0.2)
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES	25.5	30.1	6.2	5.7
<i>o/w share of net income (loss) of equity-accounted entities in continuing operations</i>			6.2	5.7

All companies consolidated under the equity method, whether joint ventures or associates, conduct business in line with the Group's activities.

Most of the Group's joint arrangements under joint control are joint ventures within the meaning of IFRS 11 and are accounted for using the equity method.

VI.7.2. Non-consolidated investments

The Group's non-consolidated investments totaled €12.4 million as of December 31, 2023 (€13.5 million as of December 31, 2022), and consist primarily of:

- investments in non-controlled concession holders that own public transportation infrastructures (Nottingham City TPS, etc.);
- investments in innovative startups (Liftango Pty Ltd, etc.); and
- investments in certain non-controlled part state-owned corporations in France.

Investments in non-consolidated companies are not considered individually material at the Group level.

The breakdown of non-consolidated investments assessed at fair value through profit or loss, or equity is presented in note VI.8.2.

VI.8. Financing, financial instruments and financial risk management

Financial assets and liabilities comprise the following main items:

- financial liabilities, lease liabilities, cash and cash equivalents and overdrafts (note VI.8.1);
- other current and non-current financial assets (note VI.8.2);
- derivative instruments (note VI.8.4).

Off-balance sheet commitments are broken down in note VI.11.

VI.8.1. Net financial debt

Net financial debt consists of gross debt (non-current and current financial and lease liabilities and overdrafts) net of cash and cash equivalents, and after taking into account the fair value of interest rate and foreign exchange derivatives.

ACCOUNTING PRINCIPLES

Financial liabilities

With the exception of trading liabilities and liability derivative instruments that are assessed at fair value, borrowings and other financial liabilities are initially recognized at fair value, less transaction costs, and are subsequently assessed at amortized cost using the effective interest rate method (EIR).

The effective interest rate is the rate that exactly discounts future cash payments or receipts over the estimated term of the financial instrument or, if applicable, over a shorter period, enabling calculation of the net carrying amount of the financial asset or liability.

Cash and cash equivalents

Cash equivalents are held to meet short-term cash commitments. For an investment to be considered a cash equivalent, it must be easily convertible into a known amount of cash and have negligible risk of a change in value, thereby meeting the criteria of IAS 7 "Statement of Cash Flows".

Cash and cash equivalents include all cash balances, certain term deposits, negotiable debt instruments and cash UCITS. Cash and cash equivalents are assessed at fair value in income. Bank overdrafts repayable on demand that form an integral part of the Group's cash management policy represent a component of cash and cash equivalents for the purposes of the statement of cash flows.

VI.8.1.1. Components of net financial debt

As of December 31, 2023, the Group's main sources of financing were:

- bonds, issued in the form of unlisted private placements, for a total amount of €625 million (€160 million maturing in August 2025, €125 million maturing in August 2026, €220 million maturing in November 2029 and €120 million maturing in July 2031);
- a credit facility placed with a syndicate of banks for a total amount of €1,100 million, maturing in July 2026. The credit facility had not been drawn down as of December 31, 2023. This credit facility carries a financial covenant that must be tested on a half-yearly basis (see note VI.8.1.5);
- an installment-repayment loan contracted with a syndicate of banks for the total amount of USD 400 million, maturing in March 2028. This loan carries the same financial covenant as the credit facility (see note VI.8.1.5);
- a *Schuldschein* placement (a private placement governed by German law) in the amounts of €25 million, which will mature in 2027;
- lease agreements.

As of December 31, 2023, the Group's net financial debt is broken down as follows:

(€ millions)	December 31, 2022	December 31, 2023
Non-current financial liabilities	701.4	1,038.7
Current financial liabilities	81.6	40.3
Overdrafts	29.7	17.7
FINANCIAL LIABILITIES (incl. overdrafts)	812.7	1,096.7
Cash and cash-equivalents	(586.9)	(735.2)
Fair value of interest rate and foreign exchange derivatives related to net financial debt	0.5	6.0
NET FINANCIAL DEBT EXCLUDING LEASE LIABILITIES ⁽¹⁾	226.3	367.5
Lease liabilities	907.6	898.9
NET FINANCIAL DEBT ⁽¹⁾	1,133.9	1,266.4

⁽¹⁾ Liabilities related to the provision of rolling stock under concession arrangements are not included in the indicator "Net Financial Debt" (see note VI.5.4 "Concession activities").

In 2023, the Group continued to factor its sustainable-development commitments into its financing strategy. Accordingly, the First Transit acquisition was mainly financed by a loan for which part of the interest is indexed on sustainable-development targets (see notes VI.1.1 and VI.2.3).

VI.8.1.2. Cash and cash equivalents and overdrafts

(€ millions)	Cash	Cash equivalents	Cash and cash equivalents	Overdrafts	Net cash
As of January 1, 2022	500.0	122.1	622.1	(13.7)	608.4
Change in business	(161.9)	112.6	(49.3)	(18.4)	(67.7)
Change in consolidation scope	9.6	0.2	9.8	-	9.8
Currency impact	3.4	5.2	8.6	2.2	10.8
Reclassification in assets / liabilities held for sale	(4.1)	-	(4.1)	-	(4.1)
Other movements	-	(0.2)	(0.2)	0.2	-
TOTAL AS OF DECEMBER 31, 2022	347.0	239.9	586.9	(29.7)	557.2
As of January 1, 2023	347.0	239.9	586.9	(29.7)	557.2
Change in business	33.5	94.6	128.1	13.9	142.0
Change in consolidation scope	18.7	-	18.7	(0.7)	18.0
Currency impact	1.9	(0.2)	1.7	(1.2)	0.5
Other movements	-	(0.2)	(0.2)	-	(0.2)
TOTAL AS OF DECEMBER 31, 2023	401.1	334.1	735.2	(17.7)	717.5

VI.8.1.3. Non-current and current financial and lease liabilities

Changes in, and breakdown by type, of current and non-current financial and lease liabilities:

(€ millions)	Bonds payable	Syndicated loan	Schuldschein private placement	Other financial liabilities	Overdrafts	Total financial liabilities (incl. overdrafts)	Total lease liabilities
As of January 1, 2022	624.6	-	77.8	101.8	13.7	817.9	1,016.6
Cash flows	-	-	-	(20.4)	16.0	(4.4)	(249.1)
Increases / subscriptions	-	-	-	3.1	16.0	19.1	-
Repayments	-	-	-	(23.5)	-	(23.5)	(249.1)
Non-Cash flows	-	-	0.5	(1.3)	-	(0.8)	140.1
Increases / subscriptions	-	-	-	-	-	-	163.7
Change in consolidation scope	-	-	-	-	-	-	6.7
Currency impact	-	-	0.5	(1.5)	-	(1.0)	(13.8)
Other movements	-	-	-	0.2	-	0.2	(16.5)
TOTAL AS OF DECEMBER 31, 2022	624.6	-	78.3	80.1	29.7	812.7	907.6
o/w current part	-	-	53.3	28.3	29.7	111.3	218.6
o/w non-current part	624.6	-	25.0	51.8	-	701.4	689.0
As of January 1, 2023	624.6	-	78.3	80.1	29.7	812.7	907.6
Cash flows	-	368.6	(53.5)	(14.5)	(12.0)	288.6	(239.6)
Increases / subscriptions	-	368.6	-	4.8	-	373.4	-
Repayments	-	-	(53.5)	(19.3)	(12.0)	(84.8)	(239.6)
Non-Cash flows	-	(6.6)	0.2	1.8	-	(4.6)	230.9
Increases / subscriptions	-	-	-	-	-	-	205.0
Change in consolidation scope	-	-	-	2.4	-	2.4	42.8
Currency impact	-	(7.8)	0.2	(0.8)	-	(8.4)	(2.5)
Other movements	-	1.2	-	0.2	-	1.4	(14.4)
TOTAL AS OF DECEMBER 31, 2023	624.6	362.0	25.0	67.4	17.7	1,096.7	898.9
o/w current part	-	19.0	-	21.3	17.7	58.0	206.2
o/w non-current part	624.6	343.0	25.0	46.1	-	1,038.7	692.7

Maturity of non-current and current financial and lease expense

(€ millions)	December 31, 2023	As of December 31, 2023, maturing in :					
		< 1 year	2 years	3 years	4 years	5 years	> 5 years
Bonds payable	624.6	-	159.8	124.9	-	-	339.9
Syndicated loan	362.0	19.0	45.0	54.0	63.1	180.9	-
Schuldschein private placement	25.0	-	-	-	25.0	-	-
Other current and non-current financial liabilities	67.4	21.3	16.7	17.3	2.9	1.9	7.3
Overdrafts	17.7	17.7	-	-	-	-	-
FINANCIAL LIABILITIES (incl. overdrafts)	1,096.7	58.0	221.5	196.2	91.0	182.8	347.2
LEASE LIABILITIES	898.9	206.2	174.5	144.7	117.9	91.6	164.0

Breakdown of current and non-current financial and lease liabilities by currency

For financial debts, the primary currency of the financing lines is the Euro. Currency swaps between Euro lenders and borrowers in the foreign currencies used to finance foreign subsidiaries have been set up (see note VI.8.4).

For the vast majority of lease liabilities, leases are denominated in the same currency as that of the lessee.

Breakdown of current and non-current financial and lease liabilities by interest rate

(€ millions)	December 31, 2023	o/w	
		Fixed rates	Floating rates
FINANCIAL LIABILITIES (incl. overdrafts)	1,096.7	1,071.3	25.4
LEASE LIABILITIES	898.9	894.9	4.0

After interest rate hedging, the share of the gross financial debt and of the lease liability at fixed rates amounts to 98% (interest rate derivatives are broken down in note VI.8.4).

Approximately 22% of gross financial debt is used for loans to subsidiaries denominated in foreign currencies, 76% of which are at floating rates after currency swaps. The Group has limited exposure (17%) to fluctuations in short-term interest rates in the following currencies: AUD, CAD, COP, CZK, GBP, NZD, SEK and USD.

VI.8.1.4. Unused credit lines

The Group has a €1,100 million credit facility maturing in July 2026, which had not been drawn down as of December 31, 2023.

VI.8.1.5. Financial covenant

The legal documentation for the €1,100 million credit facility and the USD 400 million loan includes a financial covenant, that is, an undertaking to comply with a coverage ratio. In the event of non-compliance, the two credit facilities could be accelerated. The ratio to be complied with, on a half-yearly basis, is the ratio between adjusted net financial debt and adjusted EBITDA.

The Group complied with this financial covenant throughout fiscal year 2023.

VI.8.2. Other current and non-current financial assets

ACCOUNTING PRINCIPLES

Assessment and recognition of financial assets

Under IFRS 9, all financial assets must be recognized in one of the following three categories: assets at amortized cost, assets at fair value through other comprehensive income or assets at fair value through profit or loss. The classification of a financial asset in each of these categories depends on the business model applied to it and the characteristics of its contractual cash flows.

Financial assets are initially recognized at fair value, less transaction costs, if the relevant assets are not subsequently assessed at fair value through profit or loss. In the case of assets assessed at fair value through profit or loss, transaction costs are recognized directly through profit or loss.

Assets at amortized cost

This category includes loans to investments, operating financial assets, other loans and receivables and trade receivables. After initial recognition at fair value, these instruments are recognized and assessed at amortized cost using the effective interest rate method (EIR). Net gains and losses on loans and receivables consist of interest income and impairment losses.

Assets assessed at fair value through profit or loss

This category includes the majority of non-consolidated investments, consisting almost entirely of shares in unlisted companies, and derivative instruments that do not qualify as cash flow hedges.

Net gains and losses on assets assessed at fair value through profit or loss consist of interest income, dividends and fair value adjustments.

Assets at fair value through other comprehensive income

This category includes equity instruments not held for trading for which the Group has irrevocably elected, instrument by instrument, and as of initial recognition, to recognize changes in fair value in other comprehensive income.

Other assets at fair value through other comprehensive income are mainly cash flow hedging derivatives.

Impairment of financial assets

IFRS 9 requires a prospective impairment model based on expected credit losses over the life of financial assets for which credit risk has increased materially since initial recognition, taking into account all reasonable and supportable information, including forward-looking information.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the contractual rights to the cash flows from the financial asset pursuant to a transaction under which nearly all the rights and obligations inherent to ownership of the financial asset are transferred. Any interest created or retained by the Group in financial assets transferred is recognized separately as an asset or liability.

(€ millions)	Non-current financial assets at amortized cost	Non-consolidated investments measured at fair value through profit or loss	Non-consolidated investments measured at fair value through other comprehensive income (non recyclable)	Total other non-current financial assets	Current financial assets at amortized cost	Other current financial assets measured at fair value through profit or loss	Total other current financial assets
As of January 1, 2022	30.6	7.2	10.2	48.0	19.5	33.7	53.2
Additions	1.9	0.2	-	2.1	0.6	0.2	0.8
Repayments / disposals	(5.3)	(1.0)	(2.1)	(8.4)	4.7	(7.2)	(2.5)
Change in consolidation scope	(0.4)	0.8	-	0.4	-	-	-
Impairment losses	0.1	(0.4)	-	(0.3)	(0.4)	-	(0.4)
Currency impact	(1.1)	(0.2)	-	(1.3)	0.3	2.2	2.5
Non-current / current reclassification	9.5	-	-	9.5	(9.5)	-	(9.5)
Other movements	(0.4)	(0.1)	(1.1)	(1.6)	(1.5)	(4.0)	(5.5)
TOTAL AS OF DECEMBER 31, 2022	34.9	6.5	7.0	48.4	13.7	24.9	38.6
o/w gross amounts	36.7	11.3	12.4	60.4	16.2	24.9	41.1
o/w cumulated impairment	(1.8)	(4.8)	(5.4)	(12.0)	(2.5)	-	(2.5)
As of January 1, 2023	34.9	6.5	7.0	48.4	13.7	24.9	38.6
Additions	7.2	0.1	-	7.3	3.0	-	3.0
Repayments / disposals	(1.8)	(0.4)	(0.1)	(2.3)	(4.3)	(2.8)	(7.1)
Change in consolidation scope	0.7	-	-	0.7	(0.1)	-	(0.1)
Impairment losses	-	0.2	-	0.2	2.1	-	2.1
Currency impact	1.3	0.1	(0.1)	1.3	(0.1)	(0.8)	(0.9)
Non-current / current reclassification	(1.2)	-	-	(1.2)	1.2	-	1.2
Other movements	(0.9)	(0.1)	(0.8)	(1.8)	0.2	0.7	0.9
TOTAL AS OF DECEMBER 31, 2023	40.2	6.4	6.0	52.6	15.7	22.0	37.7
o/w gross amounts	41.9	11.0	12.8	65.7	16.0	22.0	38.0
o/w cumulated impairment	(1.7)	(4.6)	(6.8)	(13.1)	(0.3)	-	(0.3)

Non-consolidated investments are described in note VI.7.2.

VI.8.3. Financial result

ACCOUNTING PRINCIPLES

Net finance costs consist of interest payable on borrowings, interest expenses on lease liabilities, income from investments of cash and cash equivalents and gains or losses on interest rate derivatives, whether or not classified as hedges.

Other financial income and expenses primarily include income from financial receivables, dividends, foreign exchange gains and losses, impairment losses on financial assets and the unwinding of discounted provisions.

(€ millions)	2022	2023
Finance costs	(22.6)	(40.0)
Revenues from cash and cash equivalents	3.3	12.8
Net finance costs excluding lease liabilities	(19.3)	(27.2)
Interest expenses on lease liabilities	(16.7)	(19.3)
NET FINANCE COSTS	(36.0)	(46.5)
Unwinding of discounted provisions	(7.5)	(28.2)
Others	(2.1)	0.5
OTHER FINANCIAL INCOME AND EXPENSES	(9.6)	(27.7)

VI.8.4. Management of financial risk – derivative financial instruments

ACCOUNTING PRINCIPLES

The Group uses derivative financial instruments primarily to hedge its exposure to foreign exchange, interest rate and commodity risks resulting from its operating, financial and investment activities. Certain transactions carried out in accordance with the Group's risk management policy that do not meet hedge accounting criteria are recorded as trading instruments.

Recognition and measurement of derivative instruments

Derivative instruments are recognized at fair value in the consolidated statement of financial position. The fair value of derivatives is estimated using standard valuation models that take into account active market data.

Other than the exceptions detailed below, changes in the fair value of derivative instruments are recognized in the consolidated income statement. Net gains or losses on instruments at fair value in the consolidated income statement (trading) correspond to flows exchanged and the change in the value of the instrument.

Hedge accounting

Derivative instruments may be classified as hedges under one of three types of hedging relationship: fair value hedge, cash flow hedge or hedge of a net investment in a foreign operation. Hedge accounting applies if:

- The hedging relationship is precisely defined and documented at the inception date;
- The effectiveness of the hedge is demonstrated at the outset and by regular subsequent verification of the correlation between movements in the market value of the hedging instrument and the hedged item. The ineffective portion of the hedge is systematically recognized in income.

Fair value hedge

A fair value hedge is a hedge of exposure to changes in the fair value of a recognized asset or liability, or an identified portion of such asset or liability, that is attributable to a specific risk (in particular, interest rate or foreign exchange risk) and could affect net income for the period. Changes in the fair value of the hedging instrument are recognized in income for the period. The change in the value of the hedged item attributable to the hedged risk is also recognized symmetrically in the income statement for the period (and adjusts the value of the hedged item). These two reassessments offset each other in the same income statement items, for the net amount of the "ineffective portion" of the hedge.

Cash flow hedge

A cash flow hedge is a hedge of exposure to variations in cash flows that are attributable to a specific risk associated with a recognized asset or liability or a highly probable forecast transaction (such as a fuel purchase) and could affect net income for the period. In the case of cash flow hedges, the effective portion of changes in fair value of the hedging instrument is recognized directly in other comprehensive income, and changes in the fair value of the underlying item are not recognized in the consolidated statement of financial position. The ineffective portion of fair value variations is recognized in income. Amounts recognized in other comprehensive income are released to income in the same period or periods in which the asset acquired or liability issued impacts income.

Hedge of a net investment in a foreign operation: see note VI.2.4.

VI.8.4.1. Market risks and derivative instruments

Management of commodity risk

Energy purchases (fuel, electricity and gas) represent a significant expense for the Group and contracts with the public transit authorities generally include indexation clauses.

Fuel (diesel and biodiesel)

To manage changes in fuel prices, a fuel hedging policy has been adopted for contracts with indexation deemed inadequate or to hedge contractual commitments. The Group uses either firm fuel purchase contracts or derivatives whose features (notional amount and maturity) are defined on the basis of projected fuel requirements (based on firm orders or highly probable forecast flows). These derivatives are swaps concluded in local currency that set the future price of fuels.

These derivatives have been analyzed in accordance with IFRS 9 “Financial Instruments”, and are classified as hedging instruments (cash flow hedges).

The Group did not hedge a significant volume of its consumption in 2023.

Electricity

The Group is exposed to increases in electricity prices, which vary greatly from country to country, and which are determined by factors such as (i) how market prices are set, which in turn depends on the national energy mix, (ii) government intervention and (iii) public indices. In most cases, the Group buys electricity from suppliers at the spot price (day-ahead market) and, in a minority of cases, purchase prices are set in advance for a period of several months, a year or even longer.

For certain contracts or geographical areas, the indexes used in the contract indexation formulae have been found inadequate to counter the current high volatility, having caused the Group to sustain a significant uncovered charge for fiscal year 2022 (see note VI.1.3) together with, at times, a coverage shortfall in 2023, and with no assurance that the indexes will fully offset the changes incurred. This situation has led Transdev to enter into negotiations with its customers to amend the terms of the contracts concerned.

The Group makes no trades in the financial markets for these products.

Gas

The Group is exposed to increases in gas prices. In most cases, the Group buys energy from suppliers at the spot price (day-ahead market), and, in a minority of cases, purchase prices are set in advance for a period of several months, a year or even longer.

The indexes used in the contract indexation formulae were found in certain cases to be inadequate to cushion the crisis in 2022 (issues of time lag in applying the formula, or of the index's lack of correlation with market conditions), having caused the Group to sustain a significant uncovered charge for fiscal year 2022 (see note VI.1.3), with no assurance that the indexes will fully offset the changes incurred. This situation has led Transdev to negotiate with its customers to obtain compensation or to amend the indexation formulas.

Management of currency risk

The Group's international activities generate cash flows in a variety of currencies.

Currency risk associated with the financing of foreign subsidiaries

The Group is financed primarily in euros.

Transdev has created a foreign exchange derivatives portfolio in order to hedge net debt in foreign currencies (consisting of foreign currency borrowings and intra-Group loans and borrowings in foreign currencies). For this purpose, the Group has mainly set up either:

- plain vanilla foreign exchange swaps between Euro lenders and foreign currency borrowers or between foreign currency lenders and Euro borrowers for the current accounts and short- and medium-term variable-rate financing of subsidiaries. These swaps are not classified as hedging instruments under IFRS 9. Therefore, the reassessment of financing in foreign currencies granted to subsidiaries and changes in the value of swaps are recognized at the same time in income.
- cross-currency swaps for long-term financing in foreign currencies at fixed rates. These cross-currency swaps constitute a cash flow hedge within the meaning of IFRS 9. Changes in their value are recognized in other comprehensive income and are released to income as the repayment of the nominal amount and the interest impact the Group's income.

The impact of these currency derivatives on income and financial position is shown in the tables below:

Nature	(local currency millions)		(€ millions)	
	NON HEDGE DERIVATIVES - NOMINAL AS OF DECEMBER 31, 2023			
	Total	< 1 year	Income (loss) of the year	Fair value in the consolidated statement of financial position
Swap EUR/CAD	133.9	133.9	0.1	0.3
Swap EUR/SEK	700.0	700.0	(1.6)	(1.0)
Swap USD/EUR	57.6	57.6	6.5	2.2
Swap EUR/GBP	42.0	42.0	(0.7)	0.4
Swap EUR/AUD	80.0	80.0	(0.1)	(0.1)
Swap EUR/CZK	260.0	260.0	0.3	0.1
Swap EUR/NZD	30.0	30.0	0.2	(0.4)
Swap EUR/COP	27,707.4	27,707.4	(0.9)	(0.4)
TOTAL			3.8	1.1

(€ millions)	Nature	Unit	CASH FLOW HEDGE DERIVATIVES				CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ MILLIONS)	
			Nominal as of December 31, 2023				Fair value reserves (net of tax)	Fair value
			Total	< 1 year	> 1 year < 5 years	> 5 years		
Cash flow hedge derivatives	Cross currency swap	GBP	19.0	2.0	9.0	8.0	0.1	0.1
Cash flow hedge derivatives	Cross currency swap	SEK	858.7	106.9	427.5	324.3	(2.2)	(2.9)
TOTAL							(2.1)	(2.8)

Transactional currency risk

The Group has low exposure to transactional currency risk because the Group's business is conducted by subsidiaries that operate in their own countries and in their own currencies. Their exposure to currency risk is therefore naturally limited.

Translation risk

Transdev incurs translation risk as a result of translating the financial information of its subsidiaries in the consolidated financial statements. The main currencies concerned are the U.S. dollar, the Australian dollar, and the Swedish krona.

A 10% depreciation of these three currencies against the euro would cause the Group's revenue to decline by approximately €336 million.

Management of interest rate risk

The Group's financial debt has low exposure to interest rate risk (see note VI.8.1).

(€ millions)	Nature	Unit	CASH FLOW HEDGE DERIVATIVES				CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ MILLIONS)	
			Nominal as of December 31, 2023				Fair value reserves (net of tax)	Fair value
			Total	< 1 year	> 1 year < 5 years	> 5 years		
Cash flow hedge derivatives	Interest rate swap	USD	400.0	20.0	380.0		(3.7)	(3.7)
TOTAL							(3.7)	(3.7)

Assuming a constant debt structure (including lease liabilities) and management policy as of December 31, 2023, a change of 1% in interest rates would have an impact on the cost of non-current and current financial debt and lease liabilities of around €0.3 million, net of interest rate hedging.

VI.8.4.2. Management of credit risk

Credit risk is essentially due to the possibility that customers will be unable to meet their payment obligations. The Group's exposure to the risk of default by its contracting parties is limited by the diversity and multitude of its customers, which are primarily public transit authorities.

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The aged trial balance of assets overdue but not impaired as of December 31, 2023, is shown below:

(€ millions)	Note	December 31, 2023				Overdue not impaired		
		Gross value	Impairment	Net value	Assets not yet due	Overdue between 0-6 months	Overdue between 6-12 months	Overdue for more than 1 year
Non-current and current operating financial assets	VI.5.4	689.3	(1.9)	687.4	687.4	-	-	-
Trade receivables	VI.4.2	1,320.7	(34.0)	1,286.7	1,011.2	237.9	20.6	17.0
Other operating receivables		232.4	(8.4)	224.0	199.4	16.3	3.4	4.9
Non-current financial assets at amortized cost	VI.8.2	41.9	(1.7)	40.2	40.2	-	-	-
Current financial assets at amortized cost	VI.8.2	16.0	(0.3)	15.7	14.2	0.6	0.5	0.4
Other current financial assets	VI.8.2	22.0	-	22.0	22.0	-	-	-
TOTAL		2,322.3	(46.3)	2,276.0	1,974.4	254.8	24.5	22.3

Transdev did not identify any factor that would justify materially increasing the credit risk of its main customers in fiscal year 2023.

VI.8.5. Carrying amount and fair value of financial assets and liabilities by accounting class

ACCOUNTING PRINCIPLES

Fair value is determined:

- Based on quoted prices in an active market (level 1); or
- Using internal valuation techniques involving standard mathematical calculation methods integrating observable market data (forward rates, interest rate curves, etc.). Valuations produced by these models are adjusted to take into account a reasonable change in the credit risk of the Group or the counterparty (level 2); or
- Using internal valuation techniques integrating parameters estimated by the Group in the absence of observable data (level 3).

As of December 31, 2023, the only financial assets and/or liabilities covered by enforceable master netting agreements are derivatives managed pursuant to FBF and ISDA contracts. These instruments are netted only in the event of a default by one of the parties to the contract. Therefore, they are not netted for accounting purposes.

The fair value of loans and receivables is very close to the value in the consolidated statement of financial position.

VI.8.5.1. Financial assets

The table below shows the net carrying amount and fair value of the Group's financial assets, grouped according to the categories defined by IFRS 9, as of December 31, 2023:

As of December 31, 2023							
(€ millions)	Carrying amount in the consolidated statement of financial position		Classes of financial assets				Method of measuring fair value
	Note	Total	Assets measured at amortized cost	Assets measured at fair value through profit or loss	Assets measured at fair value through other comprehensive income - recyclable	Assets measured at fair value through other comprehensive income - non-recyclable	
Non-consolidated investments	VI.7.2	12.4	-	6.4	-	6.0	Level 3
Current and non-current operating financial assets	VI.5.4	687.4	687.4	-	-	-	
Other non-current financial assets	VI.8.2	40.2	40.2	-	-	-	
Non-current and current derivative instruments - assets	VI.8.4	3.6	-	3.2	0.4	-	Level 2
Trade receivables	VI.4.2	1,286.7	1,286.7	-	-	-	
Other operating receivables	VI.4.2	418.2	418.2	-	-	-	
Other current financial assets	VI.8.2	37.7	15.7	22.0	-	-	Level 2
Cash and cash equivalents	VI.8.1	735.2	-	735.2	-	-	Level 2
TOTAL		3,221.4	2,448.2	766.8	0.4	6.0	

VI.8.5.2. Financial liabilities

The table below shows the net carrying amount and fair value of the Group's financial liabilities, grouped according to the categories defined by IFRS 9, as of December 31, 2023:

As of December 31, 2023						
	Carrying amount in the consolidated statement of financial position		Classes of financial liabilities			Method of measuring fair value
(€ millions)	Note	Total	Liabilities at amortized cost	Liabilities measured at fair value through profit or loss	Liabilities measured at fair value through other comprehensive income - recyclable	
Borrowings and other financial liabilities						
- non-current financial liabilities	VI.8.1	1,038.7	1,038.7	-	-	
- current financial liabilities	VI.8.1	40.3	40.3	-	-	
- overdrafts	VI.8.1	17.7	-	17.7	-	Level 2
Lease liabilities	VI.8.1	898.9	898.9	-	-	
Non-current and current derivative instruments - liabilities	VI.8.4	9.9	-	2.0	7.9	Level 2
Non-current and current part of lease payments to be made under concession arrangements		567.2	567.2	-	-	
Trade payables	VI.4.2	708.7	708.7	-	-	
Other operating payables	VI.4.2	1,728.8	1,728.8	-	-	
TOTAL		5,010.2	4,982.6	19.7	7.9	

VI.9. Provisions

ACCOUNTING PRINCIPLES

Provisions (IAS 37)

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets," provisions are recognized if, at the end of the fiscal year, the Group owes a present (legal or constructive) obligation to a third party as a result of a past event, it is probable that discharging this obligation will result in an outflow of resources representing economic benefits for the company, and the amount of this obligation can be estimated reliably as of the balance sheet date.

In the event of restructuring, an obligation exists if, prior to year-end, the restructuring has been announced and a detailed plan produced, or implementation has commenced. No provision is recognized for future operating costs.

Provisions covering outflows after more than one year are discounted if the impact is material. The discount rates used consist of a risk-free interest rate and a risk premium specific to the underlying assets and. The impacts of changes in discount rates are recognized in current operating result (in "Cost of sales") and the impacts of unwinding discounted provisions are also recognized in income (in "Other financial income and expenses").

The discount rates used as of December 31, 2023, except for provisions for employee benefit obligations are shown below:

	As of December 31, 2022	As of December 31, 2023
Euro		
2 to 5 years	3.6%	3.6%
6 to 10 years	3.9%	3.7%
More than 10 years	4.3%	4.1%
U.S dollar		
2 to 5 years	5.5%	5.6%
6 to 10 years	5.7%	5.7%
More than 10 years	6.2%	6.0%

Post-employment benefits and other long-term benefits (IAS 19)

Defined-contribution plans

Defined-contribution plans are plans under which the Group (or a Group entity) pays an agreed contribution to a separate entity, relieving it of any liability for future payments. These obligations are recognized as an expense when due.

Defined-benefit plans

Defined-benefit plans are plans that do not meet the definition of a defined-contribution plan. The net obligations of each Group entity are calculated for each plan based on an estimate of the amount employees will receive in exchange for services rendered during the current and past periods. This amount is then discounted to present value and the fair value of plan assets is deducted.

For the purpose of financing defined-benefit plans, the Group may make voluntary payments to pension funds. If applicable, such voluntary payments are presented on the consolidated statement of cash flows in net cash generated by the activity, in the same manner as other employer contributions paid.

Employee benefit obligations of the Group are calculated using the projected credit unit actuarial method. This method is based on the probability of personnel remaining with companies in the Group until retirement, foreseeable changes in remuneration, the appropriate discount rate and, in some jurisdictions, on the length of the operated public service contracts. This results in the recognition of pension-related assets or provisions in the consolidated statement of financial position, and the recognition of the related net expenses.

Specific discount rates are adopted for each currency zone. They are determined based on the yield offered by bonds issued by top-quality companies (rated AA) or treasury bonds or equivalent where the market is not liquid, with maturities equivalent to the average term of the plans valued in the relevant regions. Those rates are determined using a range of market indices, in particular the iBoxx index, and data provided by actuaries of the Group.

Actuarial gains and losses related to post-employment benefits are recognized in other comprehensive income. Costs recognized in the income statement are posted to operating income, with the exception of the net interest expense, which is recognized as financial income.

Certain obligations of the Group or Group entities may carry repayment rights, corresponding to a commitment by a third party to repay, in full or in part, the expenses related to these obligations. Repayment rights are recognized in financial assets.

VI.9.1. Breakdown of provisions

(€ millions)	Provisions for self-insurance and claims	Provisions for employment benefit obligations	Provisions for litigation	Other provisions for contingent liabilities	Provisions
As of January 1, 2022	215.5	151.7	41.7	191.7	600.6
Additions during the period	89.4	23.6	26.4	105.6	245.0
Used during the period	(90.4)	(19.0)	(6.2)	(34.5)	(150.1)
Reversal	(4.7)	(13.0)	(15.1)	(38.6)	(71.4)
Actuarial gains (or losses) ⁽¹⁾	-	(0.6)	-	-	(0.6)
Change in discount rate	(13.9)	0.8	-	(8.6)	(21.7)
Unwinding of discount	5.1	2.3	-	0.1	7.5
Currency impact	11.4	0.1	(0.1)	(0.8)	10.6
Other movements	-	(5.6)	0.3	(8.1)	(13.4)
TOTAL AS OF DECEMBER 31, 2022	212.4	140.3	47.0	206.8	606.5
o/w non-current part	137.3	140.3	26.1	134.7	438.4
o/w current part	75.1	-	20.9	72.1	168.1
As of January 1, 2023	212.4	140.3	47.0	206.8	606.5
Additions during the period	176.4	29.1	32.2	68.2	305.9
Used during the period	(140.3)	(23.7)	(9.4)	(42.3)	(215.7)
Reversal	(19.3)	(20.2)	(7.9)	(24.8)	(72.2)
Actuarial gains (or losses) ⁽¹⁾	-	10.1	-	-	10.1
Unwinding of discount	17.7	5.4	-	5.1	28.2
Change in consolidation scope	229.0	(0.4)	9.3	3.5	241.4
Currency impact	(15.2)	(2.0)	(1.1)	0.3	(18.0)
Other movements	-	2.3	0.1	(0.2)	2.2
TOTAL AS OF DECEMBER 31, 2023	460.7	140.9	70.2	216.6	888.4
o/w non-current part	313.0	140.9	40.4	119.6	613.9
o/w current part	147.7	-	29.8	97.0	274.5

⁽¹⁾ Only those recognized in other comprehensive income.

Provisions for self-insurance and claims concern essentially operations in the United States (€421.8 million at year-end 2023), for which Transdev has taken out insurance policies with third-party insurers, but which have deductibles of varying amounts that Transdev must pay.

Provisions for litigation include all losses deemed probable in connection with litigation of all types (employment and other disputes) that the Group faces in the course of its business.

Other provisions for contingent liabilities include, in particular:

- provisions for contractual maintenance obligations (major overhauls) in connection with the rail business in Germany; and
- provisions for onerous contracts.

VI.9.2. Post-employment benefits and other long-term benefits

Depending on local regulations and collective bargaining agreements, the Group has set up defined-contribution pension plans, defined-benefit pension plans (covering one company or several employers) and other post-employment benefits for its employees.

VI.9.2.1. Breakdown of provisions in the statement of financial position

(€ millions)	France ⁽¹⁾	Australia / New Zealand	Sweden	United States	Other	Total
Pension plans and early-retirements (except retiree medical coverage)	-	1.5	16.7	7.9	11.6	37.7
End-of-career allowances	47.8	-	-	-	8.0	55.8
Other post-employment benefits	-	0.5	-	-	-	0.5
Total post-employment benefits	47.8	2.0	16.7	7.9	19.6	94.0
Total other long-term benefits	3.1	20.7	-	-	23.1	46.9
PROVISIONS FOR EMPLOYMENT BENEFIT OBLIGATIONS AS OF DECEMBER 31, 2023	50.9	22.7	16.7	7.9	42.7	140.9

⁽¹⁾ The reported "France" activity does not include the activities carried out by the holding company Transdev Group (included in the column "Other").

VI.9.2.2. Defined-contribution plans

Certain subsidiaries have set up defined-contribution plans to supplement the basic mandatory plans. The Group's expenses for these plans totaled about €45 million (€44 million in 2022).

VI.9.2.3. Defined-benefit plans

Certain companies of the Group have set up defined benefit pension plans (primarily supplemental pensions and end-of-career allowances) and/or plans that offer other post-employment benefits. These future payment obligations may be financed in part or in full (through plan assets).

Non-financed plans

Non-financed plans are essentially retirement benefit plans, for which rights vest only if the employee is still employed by the Group at the time he/she retires. A provision is recognized, without any obligation to pre-finance it because the payment of these benefits remains uncertain. In some cases, funds have been placed with external organizations (such as insurance companies) but without any future payment obligation.

Financed plans

Financed plans are essentially pension plans which are managed through a pension fund in the United States, Australia, Sweden, and the United Kingdom. They are closed to new employees; in addition, beneficiaries still working in the United States and the United Kingdom do not acquire additional rights.

These obligations are pre-financed by contributions paid by the Group's subsidiaries and the employees to external funds that are separate legal entities and whose investments are subject to the fluctuations of the financial markets.

The main risks to which the Group is exposed through the pension plans are plan asset volatility, changes in bond rates and longevity.

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Obligations with respect to defined-benefit pension plans and other post-employment benefits

The tables below show the Group's obligations with respect to defined benefit pension plans and other post-employment benefits. They exclude, by definition, defined contribution plans and multi-employer retirement plans (see note VI.9.2.4).

Actuarial assumptions

Actuarial assumptions used for the calculations vary according to the country in which the plans are set up.

	As of December 31, 2022	As of December 31, 2023
Discount rate		
Euro zone	3.6%	3.2%
Australia	5.4%	5.0%
Sweden	3.8%	3.1%
United States	5.2%	4.8%
Inflation rate		
Euro zone	2.0%	2.2%
Australia	3.5%	3.5%
Sweden	2.5%	2.5%
United States	2.5%	2.5%

Changes in the defined-benefit obligation (DBO) and plan assets

	As of December 31, 2022			As of December 31, 2023		
(€ millions)	Non-financed plans	Financed plans	Total	Non-financed plans	Financed plans	Total
Changes in the defined-benefit obligation						
Discounted value of the defined-benefit obligation at beginning of year	82.5	168.8	251.3	68.6	137.4	206.1
Current service cost	3.3	0.1	3.4	9.2	0.1	9.4
Interest cost	0.5	4.0	4.5	2.3	6.3	8.6
Plan participants' contributions	0.1	-	0.1	0.1	-	0.1
Benefit obligation transferred on divestitures	(0.1)	-	(0.1)	(0.5)	-	(0.5)
Curtailments / settlements	(3.3)	(14.1)	(17.4)	(1.2)	-	(1.2)
Actuarial losses (gains)	1.4	(33.6)	(32.2)	7.8	6.6	14.4
o/w experience actuarial losses (gains)	3.6	1.4	5.1	4.1	2.0	6.0
o/w demographic assumptions actuarial losses (gains)	15.1	3.1	18.2	0.1	(1.0)	(1.0)
o/w financial assumptions actuarial losses (gains)	(17.4)	(38.1)	(55.5)	3.7	5.7	9.4
Benefits paid	(6.7)	(8.3)	(15.0)	(9.4)	(13.1)	(22.5)
Plan amendments	-	-	-	(2.8)	(0.1)	(2.9)
Other (including foreign exchange translation)	(8.9)	20.4	11.5	2.0	(1.2)	0.8
Discounted value of the defined benefit obligation at end of year (1)	68.6	137.4	206.1	76.2	136.1	212.3
Changes in plan assets						
Fair value of plan assets at beginning of year	-	145.9	145.9	-	117.8	117.8
Actual return on plan assets	-	(27.4)	(27.4)	-	9.6	9.6
o/w interest income on plan assets	-	3.4	3.4	-	5.4	5.4
o/w actuarial gains (losses)	-	(30.8)	(30.8)	-	4.2	4.2
Employer contributions	-	4.6	4.6	-	5.7	5.7
Plan participants' contributions	-	0.1	0.1	-	0.1	0.1
Curtailments / settlements	-	(14.7)	(14.7)	-	-	-
Benefits paid	-	(9.2)	(9.2)	-	(13.4)	(13.4)
Other (including foreign exchange translation))	-	18.4	18.4	-	(1.0)	(1.0)
Fair value of plan assets at end of year (2)	-	117.8	117.8	-	118.8	118.8
Funding status (a) = (2) - (1)	(68.6)	(19.7)	(88.3)	(76.2)	(17.3)	(93.5)
Asset limit (b)	-	1.3	1.3	-	0.5	0.5
NET OBLIGATION (-a + b)	68.6	21.1	89.7	76.2	17.8	94.0

The impact of the pensions reform in France announced on April 14, 2023, with a phased raising of the retirement age from 62 to 64, is recognized at the "Plan amendments" line heading (decreased provisions for post-employment benefits recognized in the income statement).

Plan assets

The average allocation of the Group's plan assets is shown below:

	As of December 31, 2023
Equities	27.9%
Corporate bonds	29.4%
Government bonds	5.4%
Other	14.3%
Listed assets	77.1%
Insurance contract	17.1%
Real estate	1.9%
Other ⁽¹⁾	3.9%
Non-quoted assets	22.9%

⁽¹⁾ Including Liability Driven Investment (LDI).

In 2024, the contribution to the funding of defined benefit plans should be about €5 million.

Net cost of post-employment benefits

(€ millions)	2022			2023		
	Non-financed plans	Financed plans	Total	Non-financed plans	Financed plans	Total
Current service cost	(3.3)	(0.1)	(3.4)	(9.2)	(0.1)	(9.4)
Interest cost	(0.5)	(4.0)	(4.5)	(2.3)	(6.3)	(8.6)
Interest income on plan assets	-	3.4	3.4	-	5.4	5.4
Curtailments / settlements	3.3	(0.5)	2.8	1.2	-	1.2
Plan amendments	-	-	-	2.8	0.1	2.9
Other	(2.0)	(0.9)	(2.9)	0.6	(0.4)	0.2
Net cost of post-employment benefits in the consolidated income statement	(2.4)	(2.2)	(4.6)	(6.9)	(1.4)	(8.3)
Actuarial gains (losses) on assets	-	(30.8)	(30.8)	-	4.2	4.2
Experience actuarial gains (losses)	(3.6)	(1.4)	(5.1)	(4.1)	(2.0)	(6.0)
Actuarial gains (losses) on demographic assumptions	(15.1)	(3.1)	(18.2)	(0.1)	1.0	1.0
Actuarial gains (losses) on financial assumptions	17.4	37.2	54.6	(3.7)	(5.7)	(9.4)
Net cost of post-employment benefits in other comprehensive income	(1.3)	1.9	0.6	(7.9)	(2.4)	(10.3)
TOTAL	(3.7)	(0.2)	(4.0)	(14.8)	(3.8)	(18.6)

Sensitivity of the discounted value of the obligation and of the current service cost

The Group's actuarial debt is particularly sensitive to discount rates and salary increases.

In addition, an increase of 0.5% in the discount rates would reduce the discounted value of the Group's obligation by about €12.0 million. A drop of 0.5% in the discount rate would increase the discounted value of the Group's obligation by about €10.9 million.

VI.9.2.4. Multi-employer plans

Pursuant to collective bargaining agreements, certain Group companies participate in multi-employer defined-benefit plans.

The principal multi-employer plans are primarily in the Netherlands, Sweden, and the United States. The corresponding expense recognized in the consolidated income statement is equal to the contributions made during the year. This amount was approximately €44 million in 2023 (€40 million in 2022), including €28 million contributed to the Rail & OV plan in the Netherlands.

VI.10. Taxes

ACCOUNTING PRINCIPLES

Income tax (expense or credit) includes current tax expense (or credit) and deferred tax expense (or credit).

Temporary differences and tax losses generally result in the recognition of deferred tax assets or liabilities.

Deferred tax assets resulting from temporary differences are recognized only if it is probable that:

- Sufficient taxable temporary differences will be available within the same tax entity or the same tax group, and it is likely that they will reverse during the period in which these deductible temporary differences will arise or during the periods in which the tax loss resulting from the deferred tax asset may be carried forward or back;
- The Group will have future taxable profits against which the asset can be set off.

At each year-end, the Group reviews the recoverable amount of deferred tax assets associated with significant tax loss carry-forwards. Deferred tax assets associated with such tax losses are not recognized or are reduced if facts and circumstances specific to each relevant company or tax group so require, in particular if:

- The time frame of projections and uncertainties about the economic environment no longer allow an assessment of the level of probability that they will be used;
- The companies have not begun to use these losses;
- The time frame of foreseeable use exceeds the deferral period authorized by the tax laws and/or a period of about five years from the end of the relevant fiscal year; or
- A set-off against future taxable profits appears uncertain due to the risk of diverging interpretations concerning the application of tax laws.

Deferred tax balances are calculated on the basis of the tax situation of each company or the overall results of all companies within the relevant tax consolidation scope, and the net amount is recognized as an asset or liability in the consolidated statement of financial position by tax entity.

Deferred tax assets and liabilities are adjusted to take into account the effect of amendments to the tax laws and changes in tax rates in force at year-end. Deferred taxes are not discounted.

VI.10.1. Income tax expense

VI.10.1.1. Breakdown of income tax expense

The Group's income tax for fiscal year 2023 is an expense of €20.8 million, and breaks down as follows:

(€ millions)	2022	2023
United States	0.8	(5.0)
Transdev Group tax group (France)	0.5	(4.7)
Czech Republic	(0.9)	(2.2)
Germany	(0.3)	(1.5)
Ecuador	-	(1.5)
Australia	(7.6)	(1.4)
Canada	(1.7)	(1.1)
Others	(7.4)	(3.4)
INCOME TAX EXPENSE	(16.6)	(20.8)
Current income tax	(14.3)	(20.5)
Deferred income tax	(2.3)	(0.3)

Nearly all French subsidiaries have chosen to join the tax consolidation group headed by Transdev Group (an agreement with a five-year term entered into in 2011 and renewable automatically). Transdev Group is solely liable to the French Treasury for current corporate income taxes calculated on the basis of the overall tax return. Transdev Group, the consolidating company, is entitled to any tax savings that may be generated.

VI.10.1.2. Rationalization of the tax expense

(€ millions)	2022	2023
Net income (loss) from continuing operations (a)	18.8	22.9
Income (loss) from joint ventures and associates (b)	6.2	5.7
Income tax expense (c)	(16.6)	(20.8)
Pre-tax income (loss) from continuing operations (d)=(a)-(b)-(c)	29.2	38.0
Theoretical tax rate (e) ⁽¹⁾	25.83%	25.83%
Theoretical income tax -(d) x (e)	(7.5)	(9.8)
Tax rate differences ⁽²⁾	(1.1)	4.6
Gain (loss) on disposals	2.9	(3.1)
Non-basis taxes	0.3	(1.8)
Tax visibility ⁽³⁾	(13.2)	(17.6)
Other factors	2.0	6.9
INCOME TAX EXPENSE (effective tax)	(16.6)	(20.8)

⁽¹⁾ The theoretical tax rate given is the tax rate applicable in France of 25.83%.

⁽²⁾ The differences in tax rates are due to the fact that the Group does business in countries that apply tax rates that are different from the tax rate in France.

⁽³⁾ Tax visibility includes the movements of unrecognized deferred tax assets and the decrease in the amount of usable tax loss carryforwards.

VI.10.2. Deferred tax assets and liabilities

VI.10.2.1. Changes

Changes in deferred tax assets and liabilities in fiscal years 2022 and 2023 are shown below:

(€ millions)	Deferred tax assets	Deferred tax liabilities	Net deferred tax
As of January 1, 2022	24.1	(33.4)	(9.3)
Change in business activities recognized in net income	(8.9)	6.6	(2.3)
Change in business activities recognized in equity	(3.1)	0.2	(2.9)
Change in consolidation scope	(0.1)	(1.3)	(1.4)
Currency impact	(0.1)	0.2	0.1
Reclassification as assets / liabilities held for sale	(0.1)	-	(0.1)
Other movements	12.6	(12.4)	0.2
TOTAL AS OF DECEMBER 31, 2022	24.4	(40.1)	(15.7)
As of January 1, 2023	24.4	(40.1)	(15.7)
Change in business activities recognized in net income	(16.8)	16.5	(0.3)
Change in business activities recognized in equity	1.3	0.2	1.5
Change in consolidation scope	31.2	(25.6)	5.6
Currency impact	(0.9)	1.0	0.1
Other movements	(13.4)	10.8	(2.6)
TOTAL AS OF DECEMBER 31, 2023	25.8	(37.2)	(11.4)

Business movements through equity primarily include tax impacts on fair value adjustments and actuarial gains and losses.

As of December 31, 2023, the amount of deferred tax assets not reflected on the statement of financial position totaled €420.9 million, of which €218.5 million are deferred tax assets generated by tax losses.

VI.10.2.2. Breakdown by type and expiration schedule for deferred tax assets on tax losses (net)

(€ millions)	December 31, 2022	December 31, 2023
Deferred tax assets recognized in net income	18.9	18.5
Deferred tax assets recognized in equity	5.5	7.3
NET DEFERRED TAX ASSETS	24.4	25.8
Deferred tax liabilities recognized in net income	(39.6)	(37.0)
Deferred tax liabilities recognized in equity	(0.5)	(0.2)
DEFERRED TAX LIABILITIES	(40.1)	(37.2)
NET DEFERRED TAX	(15.7)	(11.4)
Including tax losses	2.1	7.1
o/w expiration < 1 year	-	-
o/w expiration > 1 year and < 5 years	0.8	0.6
o/w expiration > 5 years	1.1	1.4
o/w unlimited	0.2	5.1

VI.10.3. Tax audits

In connection with their ordinary business activities, the entities of the Group in France and abroad are subject to regular tax audits. In its estimates of risks, the Group takes into account the expenses that could result from the consequences of such tax audits, based on a technical analysis of the positions the Group defends before the tax authorities. The estimates of such risks are revised periodically in light of any developments in the audits and disputes.

VI.10.4. Pillar 2 of the OECD international tax reform

EU Council Directive (EU) 2022/2523 of December 15, 2022 is designed to ensure a minimum 15% worldwide taxation rate for large multinational enterprises in the European Union. This directive adheres to the so-called Pillar 2 rules published by the Organisation for Economic Cooperation and Development (OECD) on December 20, 2021. In France, Article 33 of the 2024 Finance Act transposed this directive into French law on December 29, 2023.

These minimum taxation rules apply to fiscal years beginning as from December 31, 2023. The Group is currently examining both their implementation and the transposition into French law.

Transdev Group is characterized as the Ultimate Parent Entity (UPE) for the purposes of the GloBE rules (global rules for combating tax-base erosion).

The Group conducted an impact study covering only its direct or indirect subsidiaries falling within the scope of Pillar 2. It intends particularly to avail itself of the protective measures under Articles 223 VZ to 223 VZ *septies* (paragraph 7) of the French Tax Code (*Code Général des Impôts*).

As of 31 December 2023, in compliance with the amendments to IAS 12 "International Tax Reform - Pillar Two Model Rules," (see note VI.2.2), the Group has not recognized related deferred-tax assets and liabilities arising under the Pillar 2 rules.

For fiscal year 2024, at the current state of progress, no additional tax expense (top-up tax) is expected. The Group will continue to take the necessary measures to comply with these minimal-taxation rules.

VI.11. Off-balance sheet commitments and collateral

VI.11.1. Off-balance sheet commitments made and received

COMMITMENTS AND GUARANTEES GIVEN (€ millions)	December 31, 2022	December 31, 2023	MATURITY		
			< 1 year	between 1 and 5 years	> 5 years
Operating guarantees including performance bonds	795.8	915.8	487.0	284.0	144.8
Capital investment and purchase obligations	100.7	135.0	118.2	6.1	10.7
Commitments in connection with operating activities	896.5	1,050.8	605.2	290.1	155.5
Seller's warranties of assets and liabilities	2.0	2.5	2.0	0.5	-
Commitments in connection with the Group's scope	2.0	2.5	2.0	0.5	-
Letters of credit	51.8	40.6	40.6	-	-
Other financing commitments	3.7	1.9	-	-	1.9
Commitments in connection with financing	55.5	42.5	40.6	-	1.9
TOTAL COMMITMENTS MADE	954.0	1,095.8	647.8	290.6	157.4

COMMITMENTS AND GUARANTEES RECEIVED (€ millions)	December 31, 2022	December 31, 2023	MATURITY		
			< 1 year	between 1 and 5 years	> 5 years
Operating guarantees	49.7	60.5	18.1	28.5	13.9
Capital investment and purchase obligations	6.7	9.2	0.2	0.4	8.6
Commitments in connection with operating activities	56.4	69.7	18.3	28.9	22.5
Seller's warranties of assets and liabilities	35.7	34.2	1.5	17.9	14.8
Commitments in connection with the Group's scope	35.7	34.2	1.5	17.9	14.8
Commitments in connection with financing ⁽¹⁾	-	-	-	-	-
TOTAL COMMITMENTS RECEIVED	92.1	103.9	19.8	46.8	37.3

⁽¹⁾ Excluding unused credit lines (€1.1 billion as of December 31, 2023, see note VI.8.1.4).

Commitments received under unused credit lines (see note VI.8.1.4) are not shown in the table above.

Operating guarantees – Commitments made

The Group defines operating guarantees as any commitments not associated with financing transactions that are required under agreements or contracts and, more broadly, that are required in connection with carrying on the business of the Group's companies. These guarantees include bid bonds, advance payment bonds and completion or performance bonds posted in connection with the execution of contracts or concession arrangements.

Investment and purchase obligations – Commitments made

These are irrevocable commitments associated with the acquisition of operating assets.

Letters of credit – Commitments made

Letters of credit are issued by financial institutions to creditors, customers or suppliers of the Group's companies as guarantees in connection with their operating activities. Letters of credit granted are primarily guarantees given to insurers in the United States guaranteeing payment of deductible amounts in the event of claims. Each insurer updates the total amount required, on the basis of an actuarial calculation of claim risk, either annually or upon renewal of the insurance policy.

The table above shows only the portion of letters of credit that exceeds the amount of the provision for self-insurance and claims covering this risk already recognized in the consolidated statement of financial position (see note VI.9.1).

VI.11.2. Collateral provided to secure financial liabilities

As of December 31, 2023, collateral provided by the Group totaled €58.5 million and is intended to guarantee financial liabilities. The amount of drawdowns under credit facilities outstanding at year-end 2023 totaled €40.1 million.

VI.12. Additional information

VI.12.1. Related party transactions

VI.12.1.1. Compensation and related benefits paid to principal officers

The Group's principal officers consist of the members of Transdev's Executive Committee and the directors.

The table below presents the compensation and related benefits paid to the members of Transdev's Executive Committee:

(€ thousands)	2022	2023
Short-term benefits excluding employer contributions ⁽¹⁾	3,990.8	4,975.4
Employer contributions ⁽²⁾	1,282.6	1,413.7
Post-employment benefits ⁽³⁾	106.7	104.4
TOTAL	5,380.1	6,493.5

⁽¹⁾ Fixed and variable compensation, employee benefits in kind and termination benefits. Variable compensation comprises amounts due in respect of the prior fiscal year and paid during the next fiscal year.

⁽²⁾ Except employer contributions related to post-employment benefits.

⁽³⁾ Current service cost.

The Executive Committee has comprised nine members since April 2022. It is chaired by the Group's Chairman and CEO and comprises the CEO France and Group Security, the CEO USA, the CEO Germany, the CEO Europe and the CEO International Operations, as well as the Group Chief Strategy and Transformation Officer, the Group Legal Affairs, Finance, Risks and Compliance Officer, and the Group Chief Human Resources and Corporate Social Responsibility (CSR) Officer.

Directors' fees paid to Transdev Group directors

Transdev Group's general meeting of shareholders held on March 20, 2023 voted to set the total gross annual amount of directors' fees to be paid to the Board of Directors in 2023 at €60,000. This amount is to be divided among the directors. €48,750 will be granted for 2023.

VI.12.1.2. Relationships with companies consolidated under the equity method

Investments in joint-ventures and associates are detailed in note VI.7.1. These non-material transactions with joint ventures and associates are concluded on arm's-length terms.

VI.12.1.3. Relationships with Caisse des Dépôts and Rethmann companies and their subsidiaries not affiliated with Transdev

The relationships with Caisse des Dépôts and Rethmann companies and their subsidiaries not affiliated with Transdev are presented in the table below:

	2023	
(€ millions)	Relationships with Caisse des Dépôts companies and subsidiaries not affiliated with Transdev	Relationships with Rethmann companies and subsidiaries not affiliated with Transdev
Receivables		
Operating receivables	-	-
Current financial receivables	2.2	-
Liabilities		
Operating payables	0.6	0.7
Current financial liabilities	20.8	-
Non-current financial liabilities	69.4	-
Revenue	-	-
Operating expenses	(3.3)	(0.8)
Net finance expenses	(1.4)	-

In addition, in various geographical sectors, the Group has entered into contracts with certain Rethmann subsidiaries for the collection and treatment of waste, as well as for water distribution.

VI.12.2. Statutory auditors' fees

EY and Mazars are the Group's external statutory auditors.

(€ millions)	2023		
	EY network	Mazars network	Other
Certification of accounts	3.7	3.4	0.1
Services other than certification	0.6	0.2	-
<i>o/w Services other than certification required by law</i>	0.1	0.1	-
<i>o/w other ⁽¹⁾</i>	0.5	0.1	-
TOTAL	4.3	3.6	0.1

⁽¹⁾ Legal, tax, employment-related, etc.

VI.13. Pending legal or arbitration proceedings

In the ordinary course of its operations, the Group is involved in a number of legal and arbitration proceedings with third parties or the tax authorities in certain countries. Provisions are recognized in connection with these legal and arbitration proceedings if an obligation (legal, contractual or implicit) is owed to a third party on the balance sheet date, if it is probable that an outflow of funds without consideration will be necessary to extinguish the obligation, and if the amount of such outflow of funds can be estimated with sufficient reliability.

In the year ended December 31, 2023, the main legal proceedings pending concern regional aid for road transportation of passengers in Ile-de-France.

In 2004, Syndicat Autonome des Transports de Voyageurs (SATV) and Société Autocars R. Suzanne petitioned the Ile-de-France Region to cancel its decisions adopted in 1994, 1998 and 2001 creating aid programs, on the grounds that the Region had breached Article 108-3 of the Treaty on the Functioning of the European Union, which requires that all aid programs must be reported to the European Commission before they are implemented. Pursuant to a decision rendered on February 2, 2017, which was upheld by the General Court of the European Union on July 12, 2019, the European Commission recognized that the aid programs adopted to assist operators of bus transportation services in the Ile-de-France Region were compatible with the internal market and, therefore, there were grounds only for the Region to recover the interest for the period of illegality (the period between October 20, 1994, and February 2, 2017). In a decision rendered on March 18, 2020, pursuant to an appeal against the decision of the Paris Administrative Court of Appeal of November 27, 2015, the French Council of State (Conseil d'État) ordered the Ile-de-France Region to take the necessary steps, within six months, to ensure that each company that engaged in business on a market open to competition and that received benefits under the illegal aid program pays the interest the company would have paid if it had had to borrow the amount of its grant on the market between the date it was awarded and February 2017 (the date of the European Commission's decision), taking into account, however, the portions of the aid that reduced the operating grants on the grounds of amortization and the resulting deduction in financial interest, if any, which was the case in this matter. On July 7, 2021, the Ile-de-France Region sent letters to the relevant companies, to which Transdev Group replied on January 21, 2022. Subject to confirmation by the Ile-de-France Region, this decision eliminates this risk concerning interest. Therefore, no provision has been recognized in the Group's financial statements.

VI.14. Recent developments and post-year-end events

None.

VI.15. Main companies consolidated in the consolidated financial statements

ACCOUNTING PRINCIPLES

Principles of consolidation

Controlled entities

Transdev fully consolidates all entities over which it exercises control. Control exists when the Group holds power over an entity, is exposed or has rights to variable returns from its involvement with the entity, and has the ability to use its power over the entity to affect the amount of its returns.

The Group consolidates a subsidiary in its consolidated financial statements as from the date it obtains control of the entity to the date it ceases to control the entity.

Non-controlling interests represent the equity in a subsidiary that is not directly or indirectly attributable to the Group.

Net income and each component of other comprehensive income are divided between the Group and non-controlling interests. Total comprehensive income of subsidiaries is divided between the Group and non-controlling interests, even if this results in non-controlling interests making a loss.

Changes in the Group's ownership interests in subsidiaries that do not result in a change of control over the subsidiaries are accounted for as equity transactions, as they are transactions performed by shareholders acting in this capacity. The effects of these transactions are recognized in equity at their net-of-tax amount and do not therefore impact the Consolidated Income Statement of the Group. These transactions are presented in the net cash from financing activities in the Statement of Cash Flows.

Investments in joint operations

A joint operation is a joint arrangement whereby the parties ("joint operators") that have joint control of the arrangement have direct rights to the assets and obligations for the liabilities relating to the arrangement.

As a joint operator in a joint operation, the Group recognizes the following elements in relation to its interest in the joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output generated by the joint operation;
- its expenses, including its share of any expenses incurred jointly.

Investments in joint ventures and associates

See note VI.7.1.

VI.15.1. Scope of consolidation

As of December 31, 2023, 559 entities were consolidated by the Group (557 as of December 31, 2022), of which:

- 523 companies were fully consolidated;
- 4 companies were consolidated in proportion to the equity share held;
- 32 companies were consolidated using the equity method, of which 24 were joint ventures.

The main changes for the period relate to the acquisition of First Transit, the acquisitions in Canada and the disposal of the long-distance Business to Consumer (BtoC) activity in Portugal (see notes VI.1.1 and VI.1.2).

VI.15.2. List of main consolidated companies

The main companies of the Group as of December 31, 2023 are listed below:

Entity	Country	Address	Consolidation method ⁽¹⁾	Percentage of control at closing date	Percentage of interest at closing date
FRANCE					
TRANSDEV GROUP	FRANCE	3 ALLEE DE GRENELLE, 92130 ISSY-LES-MOULINEAUX	FC	100,0	100,0
TRANSDEV	FRANCE	3 ALLEE DE GRENELLE, 92130 ISSY-LES-MOULINEAUX	FC	100,0	100,0
TRANSDEV ILE-DE-FRANCE	FRANCE	3 ALLEE DE GRENELLE, 92130 ISSY-LES-MOULINEAUX	FC	100,0	100,0
TRANSDEV URBAIN	FRANCE	3 ALLEE DE GRENELLE, 92130 ISSY-LES-MOULINEAUX	FC	100,0	100,0
COMPAGNIE FRANCAISE DE TRANSPORT INTERURBAIN	FRANCE	3 ALLEE DE GRENELLE, 92130 ISSY-LES-MOULINEAUX	FC	100,0	100,0
SOCIETE DU METRO DE L'AGGLOMERATION ROUENNAISE	FRANCE	15 RUE DE LA PETITE CHARTREUSE, 76000 ROUEN	FC	100,0	100,0
TRANSDEV LOCATION DE VEHICULES	FRANCE	3 ALLEE DE GRENELLE, 92130 ISSY-LES-MOULINEAUX	FC	100,0	100,0
NETHERLANDS					
TRANSDEV CONNEXION HOLDING B.V.	NETHERLANDS	STATIONSPLEIN 13, 1211EX HILVERSUM	FC	100,0	100,0
CONNEXION OPENBAAR VERVOER N. V.	NETHERLANDS	STATIONSPLEIN 13, 1211EX HILVERSUM	FC	100,0	100,0
CONNEXION TAXI SERVICES B. V.	NETHERLANDS	OOSTERLANDENWEG 15, 8271ES IJSSELMUIDEN	FC	100,0	100,0
WITTE KRUIS AMBULANCE B. V.	NETHERLANDS	HERTOG AALBRECHTWEG 8 TE ALKMAAR	FC	100,0	100,0
GERMANY					
TRANSDEV GMBH	GERMANY	GEORGENSTRAÙE 22, 10117 BERLIN	FC	100,0	100,0
BAYERISCHE OBERLANDBAHN GMBH	GERMANY	RUDOLF-DIESEL-RING 27, 83607 HOLZKIRCHEN	FC	100,0	100,0
NORDWESTBAHN GMBH	GERMANY	FRANZ-LENZ STRAÙE 5, 49084 OSNABRUECK	FC	100,0	100,0
TRANSDEV HANNOVER GMBH	GERMANY	KRIEGERSTRAÙE 1D, 30161 HANNOVER	FC	100,0	100,0
CZECH REPUBLIC AND SLOVAKIA					
TRANSDEV MORAVA	CZECH REPUBLIC	BOZDECHOVA 567/8, 702 00 OSTRAVA-MORAVSKA OSTRAVA	FC	100,0	100,0
TRANSDEV SLOVAKIA SRO	SLOVAKIA	STUROVA 72, 949 01 NITRA	FC	100,0	100,0
SWEDEN					
TRANSDEV NORTHERN EUROPE AB	SWEDEN	BOX 14091, 167 14 BROMMA	FC	100,0	100,0
TRANSDEV SVERIGE AB	SWEDEN	BOX 14091, 167 14 BROMMA	FC	100,0	100,0
PORTUGAL AND SPAIN					
TRANSDEV PARTICIPAÇÕES SGPS	PORTUGAL	RUA DE OSLO, CENTRO COMMERCIAL LONDRES, LOJA AC122, 4460-388, SENHORA DA HORA	FC	100,0	100,0
TRANSDEV DIVISION ESPAÑA SLU	SPAIN	AVENIDA BARCELONA, S/N 08970, SANT JOAN DESPI, BARCELONA	FC	100,0	100,0
UNITED KINGDOM AND IRELAND					
TRANSDEV PLC	UNITED KINGDOM	PROSPECT PARK, BROUGHTON WAY, HARROGATE, ENGLAND, HG2 7NY	FC	100,0	100,0
TRANSDEV IRELAND	IRELAND	RIVERSIDE ONE, SIR JOHNSON ROGERSON'S QUAY, DUBLIN 2, DO2 X576	FC	100,0	100,0

(1) FC : fully consolidated.

Consolidated financial statements

Entity	Country	Address	Consolidation method ⁽¹⁾	Percentage of control at closing date	Percentage of interest at closing date
UNITED STATES					
TRANSDEV NORTH AMERICA INC	UNITED STATES	720 E. BUTTERFIELD RD., SUITE 300, LOMBARD, IL 60148	FC	100,0	100,0
TRANSDEV SERVICES INC	UNITED STATES	720 E. BUTTERFIELD RD., SUITE 300, LOMBARD, IL 60148	FC	100,0	100,0
FIRST TRANSIT INC	UNITED STATES	720 E. BUTTERFIELD RD., SUITE 300, LOMBARD, IL 60148	FC	100,0	100,0
FIRST VEHICLE SERVICES INC	UNITED STATES	720 E. BUTTERFIELD RD., SUITE 300, LOMBARD, IL 60148	FC	100,0	100,0
TRANSDEV ALTERNATE SERVICES INC	UNITED STATES	721 E. BUTTERFIELD RD., SUITE 300, LOMBARD, IL 60148	FC	100,0	100,0
CANADA					
FIRST TRANSIT CANADA INC	CANADA	350 7TH AVENUE SW, SUITE 3400, CALGARY, T2P 3N9, ALBERTA	FC	100,0	100,0
TRANSDEV CANADA INC	CANADA	1040 RUE DU LUX, SUITE 510, BROSSARD, J4Y 0E3, QUEBEC, CANADA	FC	100,0	100,0
AUSTRALIA AND NEW ZEALAND					
TRANSDEV AUSTRALASIA PTY LTD	AUSTRALIA	LEVEL 6, 550 BOURKE STREET, MELBOURNE, VIC 3000	FC	100,0	100,0
TRANSDEV JOHN HOLLAND BUSES (NSW) PTY LTD	AUSTRALIA	LEVEL 6, 550 BOURKE STREET, MELBOURNE, VIC 3000	FC	75,0	75,0
TRANSDEV NEW ZEALAND LTD	NEW ZEALAND	44 NEWLANDS ROAD, NEWLANDS, WELLINGTON, 6037, NEWZEALAND	FC	100,0	100,0
CHILE, COLOMBIA AND ECUADOR					
TRANSDEV CHILE S.A.	CHILE	SANTA CLARA N°301, OFIC.7805, HUECHURABA, SANTIAGO	FC	100,0	100,0
TRANSDEV COLOMBIA SAS	CHILE	CR 81 B 17 50 BOGOTA-COLUMBIA	FC	100,0	100,0
EMPRESA OPERADORA METRO DE MEDELLIN TRANSDEV	ECUADOR	CALLE LIZARDO GARCIA E10-80 Y AV. 12 DE OCTUBRE, QUITO	FC	51,0	51,0
MOROCCO					
TRANSDEV RABAT SALE SA	MAROC	8 RUE HAJ MOHAMED ERRIFAI HASSAN, RABAT 10 000	FC	100,0	100,0

(1) FC : fully consolidated.

Statutory auditors' report on the consolidated financial statements

YEAR ENDED DECEMBER 31, 2023

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by French law, such as verification of the information concerning the Group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Transdev Group,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Transdev Group for the year ended December 31, 2023.

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, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2023 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

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.

Your Group has carried out impairment tests on goodwill according to the methods described in Notes VI.2.3 and VI.6 to the consolidated financial statements. As part of our assessments, our work consisted in reviewing the methods of implementation of these impairment tests, as well as the assumptions used to make the cash flow projections. We have also verified that the appropriate disclosure was made in said notes to the consolidated financial statements.

Consolidated financial statements

Your Group completed in March 2023 the strategic acquisition of First Transit Inc., according to the methods described in Note VI.3 to the consolidated financial statements. On the acquisition date of a new entity or business representing a business combination, the group has to recognize the identifiable assets acquired and the liabilities assumed to be measured and recognized at fair value at the takeover date. In accordance with IFRS 3, the group has 12 months to finalize the goodwill allocation from the date of the acquisition. As part of our assessments, our work consisted in:

- critically reviewing the implementation of the methodology followed and the main assumptions used by the group to identify the assets acquired and the liabilities assumed and measure their fair value,
- examining the reports compiled by independent firms at the request of the group in order to identify any assets that are over-valued or liabilities that are under-valued or not taken into account in the identification of assets acquired and liabilities assumed,
- verifying the reasonableness of the fair value calculations and that appropriate information was given in the Note VI.3 of the consolidated financial statements.

Other intangible assets and financial assets entered under IFRIC 12 arrangements are recognized and measured according to the methods described in Notes VI.5.1 and VI.5.4 to the consolidated financial statements. As part of our assessments, our work consisted in assessing the data and assumptions on which the judgments and estimates relating to these financial statements were based, in reviewing, on a test basis, the calculations made by your Group, and in verifying that the various notes to the consolidated financial statements provide the appropriate disclosures.

As stated in Note VI.13 to the consolidated financial statements, in the normal course of its business your Group is involved in legal and arbitration proceedings with third parties. We have verified that an appropriate disclosure was made in the notes to the consolidated financial statements in this respect.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non financial statement required by Article L. 225 102 1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report, it being specified that, in accordance with Article L. 823 10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Paris-La Défense, March 12, 2024

The Statutory Auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Gilles Magnan

Eddy Bertelli

Jean-Christophe Goudard

Alexandre Chrétien



Statutory financial statement Transdev Group S.A.

As of December 31, 2023

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I. Statement of financial position

	Fiscal Year 2022	Fiscal Year 2023			Notes
		Gross	Depreciation, Amortization	Net	
ASSETS (€ thousands)	Net				
FIXED ASSETS					
Intangible assets					
Start-up costs	-	-	-	-	
Concessions, patents and similar rights	13,200	13,200	-	13,200	
Goodwill	-	283	283	-	
Other intangible assets	1,258	28,867	28,139	728	
Intangible asset advances and down payments	-	-	-	-	
TOTAL INTANGIBLE ASSETS	14,458	42,350	28,422	13,928	III.7.1.&.7.2
Property, plant and equipment					
Land	-	-	-	-	
Buildings	-	-	-	-	
Transportation equipment	-	-	-	-	
Machinery and equipment	-	-	-	-	
Other	2,775	7,875	5,818	2,057	
Property, plant and equipment in progress and down payments	3	-	-	-	
TOTAL PROPERTY, PLANT AND EQUIPMENT	2,777	7,875	5,818	2,057	III.7.1.&.7.2
Investments					
Equity investments	1,273,639	3,008,042	1,769,132	1,238,910	
Loans related to investments	914,710	1,056,596	52,514	1,004,082	
Other long-term securities	-	-	-	-	
Other loans	-	-	-	-	
Other	3,427	3,722	-	3,722	
TOTAL INVESTMENTS	2,191,775	4,068,360	1,821,646	2,246,714	III.7.1.&.7.2
TOTAL FIXED ASSETS (I)	2,209,010	4,118,585	1,855,886	2,262,699	III.7.1.&.7.2
CURRENT ASSETS					
Inventories and work in progress					
Inventories of raw materials and other supplies	-	-	-	-	
Advances and down payments to suppliers	44	10	-	10	
Operating receivables					
Trade receivables	30,918	18,665	59	18,606	III.7.3.&.7.4
Other	16,254	17,153	-	17,153	III.7.3.&.7.4
Marketable securities	230,132	328,555	3,255	325,300	III.7.4
Treasury Instruments	5,619	4,685	-	4,685	
Cash and cash equivalents	47,659	52,008	-	52,008	
Prepaid expenses	2,335	2,205	-	2,205	III.7.3
TOTAL CURRENT ASSETS (II)	332,960	423,280	3,314	419,966	
EXPENSES TO BE APPORTIONED OVER MORE THAN ONE PERIOD (III)	-	-	-	-	
BOND REDEMPTION PREMIUMS (IV)	453	387	-	387	
UNREALIZED EXCHANGE LOSSES (V)	7,785	7,987	-	7,987	III.7.5
GRAND TOTAL (I+II+III+IV+V)	2,550,209	4,550,239	1,859,200	2,691,039	

I. Statement of financial position

LIABILITIES (€ thousands)	Fiscal year 2022	Fiscal year 2023	Notes
EQUITY			
Capital	1,206,036	1,085,302	
Issue, contribution premiums	-	-	
Revaluation of assets	-	-	
Reserves			
Legal reserve	24,303	24,303	
Other reserves	-	-	
Regulated reserves	-	-	
Retained earnings	(143,330)	-	
Income (loss) for the period	22,596	30,429	
Investment grants	-	-	
Regulated provisions	-	-	
Conditional advances	-	-	
TOTAL EQUITY (I)	1,109,604	1,140,034	III.7.6
PROVISIONS			
Provisions for liabilities	16,648	22,951	
Provisions for expenses	5,337	6,260	
TOTAL PROVISIONS (II)	21,986	29,211	III.7.7
LIABILITIES			
Other bonds	628,352	628,314	III.7.8
Borrowings from financial institutions ⁽¹⁾	79,435	25,794	III.7.8
Various debts	631,755	799,704	III.7.8
Advances and down payments on orders in progress	-	-	III.7.8
Trade payables	38,905	29,716	III.7.8
Tax payables and employee commitments	16,196	19,902	III.7.8
Liabilities to fixed asset suppliers	450	196	III.7.8
Other liabilities	16,876	11,990	III.7.8
Treasury Instruments	-	-	
Prepaid income	-	-	III.7.8
TOTAL LIABILITIES (III) ⁽²⁾	1,411,969	1,515,615	
UNREALIZED EXCHANGE GAINS (IV)	6,650	6,180	III.7.5
GRAND TOTAL (I+II+III+IV)(I+II+III+IV)	2,550,209	2,691,039	
⁽¹⁾ Of which bank overdrafts and credit balances on bank accounts:	172	63	
⁽²⁾ Prepaid expenses and income maturing within one year:	754,163	858,816	

II. Income statement

(€ thousands)	Fiscal year 2022	Fiscal year 2023	Notes
Revenue from operations			
Sales of goods	-	-	
Production sold (goods)	-	-	
Production sold (services)	70,455	72,075	III.8.3
NET SALES	70,455	72,075	
Inventories of finished goods	-	-	
Operating grants	-	-	
Reversals of provisions, depreciation (and amortization), expense transfers	4,959	927	
Other revenue	13,950	14,561	
TOTAL REVENUE FROM OPERATIONS (I)	89,365	87,562	
Operating expenses			
Supply purchases	-	-	
Changes in inventories	-	-	
Other purchases and external expenses	42,987	34,434	
Taxes	2,748	2,587	
Wages and salaries	25,223	27,628	
Social security contributions	11,831	12,669	
Depreciation and amortization:			
- fixed assets: amortization	2,456	2,101	
- fixed assets: depreciation	-	-	
- current assets: depreciation	-	-	
- liabilities and expenses: depreciation	453	1,093	
Other expenses	5,516	8,750	
TOTAL OPERATING EXPENSES (II)	91,215	89,262	
OPERATING INCOME (I-II)	(1,850)	(1,700)	
PROFIT ATTRIBUTED OR LOSS TRANSFERRED (III)	-	-	
LOSS INCURRED OR PROFIT TRANSFERRED (IV)	-	15	
Financial income			
Income from equity investments	28,513	142,489	
Income from other marketable securities and non-current asset receivables	-	-	
Other interest and similar income	5,458	9,143	
Reversals of provisions, depreciation (and amortization), expense transfers	170,066	35,457	
Foreign exchange gains	31,194	23,267	
Net revenue from disposals of transferable securities	31	6,798	
TOTAL FINANCIAL INCOME (V)	235,262	217,154	
Financial expenses			
Depreciation, amortization and provisions	171,041	138,162	
Interest and similar expenses	28,056	38,287	
Foreign exchange losses	32,607	31,062	
Net expenses on disposals of transferable securities	150	-	
TOTAL FINANCIAL EXPENSES (VI)	231,854	207,511	
FINANCIAL INCOME (LOSS) (V-VI)	3,408	9,644	III.8.4
CURRENT INCOME (LOSS) BEFORE INCOME TAX (I-II+III-IV+V-VI)	1,559	7,929	
Extraordinary income			
From operations	-	17	
From asset disposals	27	22,542	
Reversals of provisions, depreciation (and amortization), expense transfers	-	-	
TOTAL EXTRAORDINARY INCOME (VII)	27	22,559	
Extraordinary expenses			
From operations	-	12	
From asset disposals	28	22,542	
Depreciation, amortization and provisions	-	-	
TOTAL EXTRAORDINARY EXPENSES (VIII)	28	22,554	
EXTRAORDINARY INCOME (LOSS) (VII-VIII)	(1)	4	III.8.5
EMPLOYEE PROFIT-SHARING (IX)	-	-	
INCOME TAX (X)	(21,038)	(22,496)	III.8.6
TOTAL REVENUE (I+III+V+VII)	324,654	327,275	
TOTAL EXPENSES (II+IV+VI+VIII+IX+X)	302,058	296,846	
NET INCOME (LOSS)	22,596	30,429	

III. Notes to the financial statements

Transdev Group, the parent company of the Transdev group (hereinafter “Transdev” or the “Group”) is a joint stock company (*société anonyme*) incorporated under French law, which has capital of €1,085,301,685.26, and was registered with the Nanterre Trade and Companies Registry under number 521 477 851 on December 12, 2011. The head office is located 3 allée de Grenelle, 92130 Issy-les-Moulineaux, France.

III.1. Noteworthy actions and significant events during the period

III.1.1. Shareholder structure

Caisse des Dépôts holds a 66% stake in Transdev Group; the remaining 34% of the capital is held by Rethmann France.

III.1.2. Acquisition of First Transit

On October 25, 2022, Transdev signed an agreement to acquire First Transit Inc., thereby strengthening its offer of sustainable mobility services and innovative public transportation in the United States and Canada. After the requisite regulatory approvals have been obtained, the acquisition of First Transit Inc. by Transdev North America Inc., a wholly-owned subsidiary of Transdev Group was closed on March 6, 2023. This acquisition was financed primarily with a five-year syndicated loan indexed to sustainable development indicators, thus confirming the Group’s commitments to its ESG trajectory.

III.1.3. Recapitalization

At the shareholders’ meeting held on March 20, 2023, the capital was reduced by one hundred and twenty million seven hundred and thirty-four thousand two hundred and forty-one euros and ninety-four cents (€120,734,241.94), from one billion two hundred and six million thirty-five thousand nine hundred and twenty-seven euros and twenty cents (€1,206,035,927.20) to one billion eighty-five million three hundred and one thousand six hundred and eighty-five euros and twenty-six cents (€1,085,301,685.26), by cancelling twelve million five hundred and fifty thousand three hundred and thirty-seven (12,550,337) shares with a par value of €9.62, including twelve million three hundred and sixty-three thousand and eighteen (12,363,018) ordinary shares with a par value of €9.62 and one hundred and eighty-seven thousand three hundred and nineteen (187,319) Class A Preference Shares with a par value of €9.62. The capital reduction was completed in full on March 20, 2023.

III.1.4. Equity investments

In 2023, Transdev Group SA:

- acquired shares in Transdev Services (Canada) Inc for €22.5 million, transferred by Transdev North America,
- subscribed to a capital increase implemented by its subsidiary, Transdev Canada, for an amount of €49.8 million (€27.3 million by offsetting debts and €22.5 million via a contribution in kind of the shares held in Transdev Services (Canada) Inc),
- formed a holding company in Morocco (100%).

III.1.5. Inflationary context and rising interest rates

The climate remained highly uncertain worldwide in 2023, marked by heightened geopolitical tensions, climate change, inflationary pressures and labor shortages in many geographical areas, combined with rising interest rates, particularly for short-term maturities.

As in 2022, 2023 was marked by rising interest rates on short-term maturities in most countries where the Group operates.

As most of Transdev Group’s current and non-current financial debt is at fixed rates, this mainly impacted new financing.

III.1.6. Tax consolidation

On April 21, 2011, Transdev Group SA opted to be part of a tax group, as defined in Articles 223 A et seq. of the French General Tax Code (*Code général des impôts*).

The tax consolidation option took effect on January 1, 2011 for a period of five years. It is renewable automatically unless expressly terminated by Transdev Group SA.

Income tax expense is allocated to the accounts of the various entities that comprise the tax group in accordance with the “neutrality” method required by the French National Accounting Institute (*Conseil National de la Comptabilité*), and published in the Official Tax Bulletin no. 4H-9-88.

Pursuant to this principle, each subsidiary pays the tax it would have paid in the absence of tax consolidation. Transdev Group SA, the company that heads the tax consolidation group, pays its own tax and either receives the benefit of any tax savings or bears the burden of any additional tax due to application of tax consolidation.

For 2023, the tax consolidation option led to the recognition of a tax consolidation reduction of €26.5 million on the parent company’s financial statements.

III.2. General rules and principles applied

The financial statements for fiscal year 2023 have been prepared in accordance with French accounting principles in force. To the extent possible, detailed figures are provided in table form and expressed in thousands of euros.

New ANC regulation No. 2018-01 dated April 20, 2018, which amended ANC regulation No. 2014-03 on the French General Chart of Accounts, has no material impact on the Company’s financial statements.

III.3. Consolidation

Transdev Group SA is the parent company of the Transdev group whose consolidated accounts are fully consolidated in the accounts of Caisse des Dépôts et Consignations (General Section), whose registered office is located at 56 rue de Lille, 75356 Paris 07 SP.

III.4. Measurement procedures and methods applied to various balance sheet and income statement items

Items recognized on the financial statements are assessed using the “historical costs” method. More specifically, the assessment procedures and methods described below are used for the various items reported on the annual financial statements.

III.4.1. Intangible assets

Intangible business assets are assessed at their cost of acquisition. In accordance with the accounting regulations applicable to assets under ANC regulation No. 2015-06, intangible business assets with an indefinite useful life are not amortized, but are tested each year for impairment. Impairment is recognized if the market value of the asset is less than its net carrying amount.

The accounting regulations on intangible business assets had no impact on the financial statements as of December 31, 2023.

Depending on its type, computer software is amortized over a period of three to five years.

III.4.2. Property, plant and equipment

Assets are depreciated on a straight-line basis over their useful lives:

- Buildings: 20 years
- Installations, fixtures and improvements: 8 years
- Computer equipment: 5 years
- Office equipment: 5 à 7 years
- Office furniture: 5 à 10 years

III.4.3. financial investments

For securities acquired, the gross value of long-term securities is equal to acquisition cost including ancillary expenses, if any.

Provisions for impairment of equity investments are recognized on the basis of (i) the financial performance of the investments, (ii) changes in income or (iii) their probable trading value. The company relies *inter alia* on the financial forecasts prepared by the subsidiaries.

Other investments are recognized as assets at their initial recognition value. Impairment is recognized if the market value of an asset falls below net carrying amount.

III.4.4. Receivables and liabilities

Receivables and liabilities are recognized at their nominal values.

If applicable, impairment is recognized on receivables to take into account the risk of non-collection.

III.4.5. Transferable securities

Time deposit accounts are reported in this item. They are recognized at their acquisition cost, and a provision for impairment is recognized if their market value is less than their carrying amount.

III.4.6. Provisions for contingency and loss

Contingency and loss provisions are estimated according to the data known to the company on the date on which the financial statements are closed.

Provisions are broken down by type in section III-7.7 of the note to the financial statements.

III.4.7. Foreign currency transactions

During the fiscal year, transactions in foreign currencies are reported at their equivalent value in euros at the exchange rate in effect on the date of the transaction.

Receivables, liabilities, loans and borrowings in foreign currencies are reported on the balance sheet at their equivalent value in euros using the year-end exchange rate. Any difference found after updating the value of liabilities and receivables in foreign currencies using the year-end exchange rate is reported in the “unrealized foreign exchange gains or losses” item on the balance sheet.

In accordance with Article 420-7 of the French General Chart of Accounts, the impact of converting cash accounts held in foreign currency is recognized directly on the income statement as a foreign exchange conversion gain (loss). Similarly, the impact of converting current accounts held with subsidiaries that, by their nature, are comparable to cash accounts, is recognized directly on the income statement as a foreign exchange conversion gain (loss).

A contingency provision is recognized for the net amount of the total amount of any unrealized foreign exchange losses, assessed by currency and maturity group, after taking into account forward transactions classified as hedging transactions for accounting purposes.

III.4.8. Foreign exchange derivative transactions

Transdev Group SA manages market risks associated with fluctuations in foreign exchange rates through the use of derivatives, in particular currency futures, currency swaps and currency options. These instruments are used for hedging purposes.

Foreign exchange derivatives classified as hedging transactions for

accounting purposes are reported as foreign exchange gains or losses offsetting the hedged items.

The overall position of derivatives not classified as hedging transactions for accounting purposes is reported by currency.

A provision is recognized for unrealized foreign exchange losses, unrealized gains are not recognized in income, and realized gains or losses are recognized in income.

III.4.9. Pension commitment

The rights accrued by the employees in respect of future post-employment benefits were calculated on the basis of the age and length of service of each employee, using a method that takes into account assumptions concerning changes in salaries, life expectancy and personnel turnover, in accordance with the principles applied in the Transdev group.

Expenses and income from discounting are recognized on the income statement using the preferential method described in CNC Recommendation no. 2003 R-01 of April 1, 2003.

In 2023, a rate of 3.20% was used for discounting.

As of December 31, 2023, a provision of €5.2 million was recognized for a shortfall in commitment coverage.

III.4.10. Commitment in respect of length of service benefits

The rights accrued by employees in respect of length of service benefits were determined according to the age and length of service of each employee, using a method that takes into account assumptions concerning changes in salaries, life expectancy and personnel turnover, in accordance with the principles applied in the Transdev group.

As of December 31, 2023, the commitments were covered by a provision of €0.1 million.

III.5. Other information

III.5.1. Related-party transactions

Related-party transactions concerned by Article R.123-199 1 of the French Commercial Code

Pursuant to the regulations of the French Accounting Standards Authority (*Autorité des Normes Comptables* or “ANC”) and Article R.123-199 1 of the French Commercial Code (*Code du commerce*) concerning related parties, Transdev Group SA confirms that it did not engage any such transactions in fiscal year 2023.

Transactions with affiliates

As part of its holding activities, the company provides services to its subsidiaries on behalf of the group. These activities cover primarily technical assistance, a brand fee, employee lending and furnishing guarantees.

III.5.2. Statutory auditors' fees

Pursuant to French Decree no. 2008-1487 of December 30, 2008, information concerning statutory auditors' fees is provided in the notes to the Transdev group consolidated financial statements.

III.6. Post-closing events

None.

III.7. Additional information concerning the statement position

III.7.1. Statement of fixed assets: changes in gross values

(€ thousands)	Gross values at the start of the period	Acquisitions, increases during the period	Disposals, reductions during the period	Other flows	Unrealized currency losses	Gross values at the end of the period
Intangible assets	42,350	-	-	-	-	42,350
Intangible assets advances and down payments	-	-	-	-	-	-
Property, plant and equipment	7,529	345	-	-	-	7,875
Property, plant and equipment in progress	3	-	-	(3)	-	-
Investments, of which	3,917,116	456,030	(304,785)	-	-	4,068,360
Equity investments	2,958,208	72,376	(22,542)	-	-	3,008,042
Loans related to investments	955,482	383,332	(282,217)	-	-	1,056,596
Other long-term securities	-	-	-	-	-	-
Other loans	-	-	-	-	-	-
Other investments	3,427	322	(26)	-	-	3,722
TOTAL FIXED ASSETS	3,966,998	456,375	(304,785)	(3)	-	4,118,585

Below is a breakdown of the main transactions involving investment securities:

(€ thousands)	Acquisitions during the period	Capital Increase	Disposals during the period	Other flows	Changes during the period
Transdev Canada Inc.	-	49,805	-	-	49,805
Transdev Services (Canada) Inc.	22,542	-	(22,542)	-	-
Other	30	-	-	-	30
TOTAL	22,572	49,805	(22,542)	-	49,834

III.7.2. Statement of fixed assets: changes in depreciation, amortization and impairment

(€ thousands)	Position at the start of the period	Provisions during the period	Reversals or reductions during the period	Reclassifications Other flows	Depreciation and amortization at the end of the period
Depreciation and amortization of intangible assets	27,892	1,038	(508)	-	28,422
Depreciation and amortization of property, plant and equipment	4,755	1,063	-	-	5,818
Impairment of investments	1,725,341	131,331	(35,026)	-	1,821,646
TOTAL DEPRECIATION/AMORTIZATION AND IMPAIRMENT OF FIXED ASSETS	1,757,988	133,432	(35,534)	-	1,855,886
of which provisions and reversals					
operating	-	2,101	(508)	-	-
financial	-	131,331	(35,026)	-	-
extraordinary	-	-	-	-	-

Impairment of financial assets and related receivables:

(€ thousands)	Position at the start of the period	Provisions during the period	Reversals or reductions during the period	Reclassifications Other flows	Depreciation and amortization at the end of the period
Transdev Ile-de-France SA	579,385	51,742	-	-	631,127
Transdev SA	454,853	3,852	-	-	458,705
Transdev GmbH	213,427	-	-	-	213,427
Transdev North America INC.	203,417	-	-	-	203,417
TD Northern Europe	15,194	51,949	-	-	67,143
TD Australasia	45,729	7,557	-	-	53,286
TD PARTICIPACOES SGPS SA	52,670	-	-	-	52,670
Transdev PLC	66,666	-	(16,276)	-	50,390
Transdev Irlande	33,778	11,728	-	-	45,506
Other	60,222	4,503	(18,750)	-	45,975
TOTAL	1,725,341	131,331	(35,026)	-	1,821,646

III.7.3. Statement of receivable maturity dates

(€ thousands)	Fiscal year 2023 Gross	Maturing in less than one year	Of which affiliates or controlled entities	Fiscal year 2022 Gross
Fixed assets				
Receivables from controlled entities	1,056,596	175,878	1,056,596	955,482
Other investments	3,722	113	-	3,427
Current assets				
Trade receivables	18,665	18,665	16,300	30,977
Other receivables	17,153	17,153	11,735	16,254
Prepaid expenses	2,205	2,205	-	2,335
TOTAL	1,098,341	214,014	1,084,631	1,008,474

III.7.4. Statement of current assets: changes in impairment

(€ thousands)	Position at the start of the period	Provisions during the period	Reversals or reductions during the period	Reclassifications Other flows	Impairment at the end of the period
Inventories and work in progress	-	-	-	-	-
Trade and other receivables	59	-	-	-	59
Other accounts receivable	-	-	-	-	-
Marketable securities	3,255	-	-	-	3,255
TOTAL IMPAIRMENT OF CURRENT ASSETS	3,314	-	-	-	3,314
of which provisions and reversals:					
operating	-	-	-	-	-
financial	-	-	-	-	-
extraordinary	-	-	-	-	-

III.7.5. Unrealized foreign exchange loss/gain & Changes in value of active and liabilities cash instruments

The breakdown of currency impact at year-end is shown below:

(€ thousands)	Unrealized currency translation losses	Unrealized currency translation gains
Receivables from controlled entities	7,974	1,484
Trade receivables	14	11
Cross Currency Swap	-	4,685
Loans and other debts	-	-
TOTAL	7,987	6,180

and breaks down as follows by currency:

(€ thousands)	Unrealized currency translation losses	Unrealized currency translation gains
Canadian dollar CAD	379	-
Pound sterling GBP	424	11
Cross Currency Swap GBP	133	133
New Zealand dollar NZD	-	297
Australian dollar AUD	3	140
Colombian Peso COP	-	-
Czech crown CZK	127	-
Swedish krona SEK	-	1,047
Cross Currency Swap SEK	4,551	4,551
US dollar USD	2,370	-
TOTAL	7,987	6,180

III.7.6. Statement of changes in equity

(€ thousands)	Position at the start of the period	Appropriation of net income 2022	Capital increase/reduction	Other own funds	Net income (loss) 2023	Position at the end of the period
Capital subscribed, called and paid in	1,206,036	-	(120,734)	-	-	1,085,302
Contribution premium	-	-	-	-	-	-
Legal reserve	24,303	-	-	-	-	24,303
Other Reserves	-	-	-	-	-	-
Retained earnings	(143,330)	22,596	120,734	-	-	-
Income (loss) for the period	22,596	(22,596)	-	-	30,429	30,429
Conditional advances	-	-	-	-	-	-
TOTAL EQUITY	1,109,604	-	-	-	30,429	1,140,033

In accordance with the ordinary general meeting's resolutions of March 20, 2023 approving the financial statements for 2022, the accounting benefit for the fiscal year was allocated to retained earnings.

In accordance with the decisions of the extraordinary general meeting of March 20, 2023, ruling on the support of cumulative losses, the share capital was reduced by €120,734,241.94 by cancellation of 12,550,337 shares of €9.62.

At year-end, Transdev Group SA's share capital consists of 111,133,384 ordinary shares with a nominal value of €9.62, fully paid up and subscribed, and of 1,683,839 preferred shares with a nominal value of €9.62, fully paid up and subscribed.

III.7.7. Provisions for liabilities and expenses

The movements during the period are shown below:

(€ thousands)	Amount at the start of the period	Provisions during the period	Reversals during the period: used	Reversals during the period unnecessary	Contribution Other Flows	Amount at the end of the period
Provision for impairment ⁽¹⁾	16,648	6,765	(463)	-	-	22,951
Provision for pensions and length of service benefits	4,582	859	(126)	-	-	5,316
For employee contingencies	755	234	(45)	-	-	944
TOTAL	21,986	7,858	(633)	-	-	29,211
of which provisions and reversals:						
operating	-	1,093	(202)	-	-	-
financial	-	6,765	(431)	-	-	-
extraordinary	-	-	-	-	-	-

The main changes concern the types below:

(€ thousands)	Amount at the start of the period	Increases during the period	Decreases, reversals during the period	Reclassifications	Amount at the end of the period
⁽¹⁾ Provisions for impairment					
Provision for impairment of subsidiary value	13,227	6,765	(431)	-	19,561
Other provisions for risks	3,421	-	(32)	-	3,390
TOTAL PROVISIONS FOR IMPAIRMENT	16,648	6,765	(463)	-	22,951

III.7.8. Statement of debt maturity dates

(€ thousands)	Fiscal year 2023	Maturing in less than 1 year	Maturing in more than 1 year and less than 5 years	Maturing in more than 5 years	Of which affiliates or controlled entities	Fiscal year 2022
Other bonds	628,314	3,260	285,054	340,000	-	628,352
Borrowings from financial institutions	25,794	794	25,000	-	-	79,435
Various debts	799,704	796,924	2,781	-	799,704	631,755
Advances and down payments on orders in progress	-	-	-	-	-	-
Trade payables	29,716	29,716	-	-	14,915	38,905
Tax payables and employee commitments	19,902	19,902	-	-	-	16,196
Liabilities to fixed asset suppliers	196	196	-	-	74	450
Other liabilities	11,990	8,026	3,963	-	10,860	16,876
Prepaid income	-	-	-	-	-	-
TOTAL	1,515,615	858,816	316,799	340,000	825,552	1,411,969

III.7.9. Statement of financial commitments

The total amount of the company's financial commitments breaks down as shown below:

TYPES OF COMMITMENTS (€ thousands)	Total	Subsidiaries, controlled entities and other affiliates	Other	Maturing in less than 1 year	Maturing in more than 1 year and less than 5 years	Maturing in more than 5 years
Operational performance guarantees	212,772	206,909	5,863	67,315	85,439	60,018
Guarantees on operating leases	157,128	152,355	4,774	3,887	114,667	38,574
Other operational guarantees	936,192	911,192	25,000	419,455	471,488	45,249
TOTAL OPERATIONAL GUARANTEES	1,306,093	1,270,456	35,636	490,657	671,595	143,841
Commitments made	-	-	-	-	-	-
Financial guarantees	29,235	29,235	-	400	27,835	1,000
TOTAL OTHER GUARANTEES AND COMMITMENTS MADE	29,235	29,235	-	400	27,835	1,000
Commitments received	1,100,000	-	1,100,000	-	1,100,000	-

The commitments made by Transdev Group SA mainly relate to financing and performance guarantees on behalf of its French and foreign subsidiaries. Commitments received consist of unused credit lines with banks.

III.7.10. Finance lease commitments

There were no finance lease commitments at year-end 2022 and year-end 2023.

III.8. Additional information concerning the income statement

III.8.1. Compensation of corporate officers

(€ thousands)	Fiscal Year 2023 Amount	Fiscal Year 2022 Amount
Compensation paid to members of management bodies (directors' fees)	45	45

III.8.2. Average number of employees

	Salaried personnel	Personnel loaned to the company
Management employees	234	10
Supervisors and technicians	33	-
White-collar employees	5	-
TOTAL	272	10

III.8.3. Breakdown of net sales

(€ thousands)	Fiscal Year 2023 Amount	Fiscal Year 2022 Amount
A) Distribution by business sector		
Provision of services	72,075	70,455
TOTAL	72,075	70,455
B) Distribution by geographical area		
Provision of services France	31,693	32,896
Provision of services EU and non-EU	40,382	37,559
TOTAL	72,075	70,455

The revenue from management fees, invoicing of employees loaned and other costs is included in the provision of services.

III.8.4. Analysis of financial income (loss)

TYPE OF TRANSACTIONS (€ thousands)	Fiscal Year 2023 Amount	Of which affiliates or controlled entities
Financial revenue		
Revenue from controlled entities	88,774	88,774
Revenue from receivables of controlled entities	53,716	53,707
Other financial income	9,143	6,098
Reversals of financial provisions and expense transfers	35,457	35,457
Currency translation gains	23,267	-
Net revenue from disposals of transferable securities	6,798	-
TOTAL FINANCIAL REVENUE	217,154	184,035
Financial Expenses		
Financial amortization and provisions	(138,162)	(138,096)
Interest and similar expenses	(36,683)	(20,136)
Other financial expenses	(1,604)	-
Currency translation losses	(31,062)	-
Expenses on the disposal of transferable securities	-	-
TOTAL FINANCIAL EXPENSES	(207,511)	(158,232)
FINANCIAL INCOME (LOSS)	9,644	25,804

III.8.5. Analysis of extraordinary expenses and revenue

TYPE OF TRANSACTIONS (€ thousands)	Extraordinary expenses	Extraordinary revenue
Extraordinary expenses and revenue from management operations	(12)	17
Disposals of long-term investments	(22,542)	22,542
Disposals of property, plant and equipment	-	-
Disposals of intangible assets	-	-
Allocations to/reversal of depreciation/amortization and extraordinary provisions:		
Other extraordinary allocations/reversals	-	-
Excess tax depreciation	-	-
TOTAL	(22,554)	22,559

III.8.6. Corporate income tax breakdown

(€ thousands)	Current income (loss)	Extraordinary income (loss)	Total
1. Pre-tax income	7,929	4	7,933
2. Temporary differences	493	-	493
3. Permanent differences	18,529	(7)	18,522
4. Tax bases	26,951	(3)	26,948
5. Tax loss carryforwards and deferred depreciation	-	-	-
6. Taxable income after deduction of losses	26,951	(3)	26,948
7. Corporate income tax	22,496	-	22,496
8. Long-term capital gains tax (reduced rate)	-	-	-
9. After-tax income	30,425	4	30,429

Temporary differences correspond to expenses included in the book income that will be deducted from or added back to taxable income in future fiscal years.

Permanent differences primarily correspond to dividends received from subsidiaries, long-term net capital gains and losses and provisions for impairment of the financial assets.

In 2023, as a result of tax consolidation, Transdev Group SA recognized a tax saving of €26,487k in its individual financial statements.

III.8.7. Deferred taxation

As of December 31, 2023, Transdev Group SA held:

- Tax losses that can be carried forward indefinitely in the amount of (cerfa 2058-B Bis)90,553 K€
- Total tax losses for the consolidated group of279,389 K€

III.9. Information on subsidiaries, equity interests and the portfolio

A) Detailed information on each subsidiary and equity interest of more than 10% whose gross value exceeds 1% of Transdev Group SA's capital

The information about subsidiaries is taken from the figures as shown in the group reports (local accounts principles) as of January 22, 2024.

As an exception, the data concerning Transdev Ile de France SA and Transdev SA is taken from the parent company financial statements.

The data for subsidiaries outside the Euro Zone is converted at the December 31 exchange rate for equity and at the average rate for income statement information.

COMPANIES (€ thousands)	Capital (in number)	Par value	Share Capital of the subsidiary	Equity including net income (loss) for the period (excluding capital)	% held	Current value of securities held		Loans and advances made by TDG	Guarantees and pledges granted by TDG	2023			
						Gross	Net			Sales	Net income (loss)	Dividends received	
1. SUBSIDIARIES													
Transdev Ile-de-France SA													
3, Allée de Grenelle 92130 Issy-Les-Moulineaux France	20,000,000	10EUR	200,000	78,735	100%	890,999	259,872	468	-	96,829	55,522	55,000	
Transdev SA													
3, Allée de Grenelle 92130 Issy-Les-Moulineaux France	1,241,266	140EUR	127,850	(98,601)	100%	691,000	232,295	240,000	-	141,377	(17,444)	-	
Transdev PLC													
Prospect Park, Broughton Way, Harrogate, England, HG2 7NY	40,500,000	1GBP	46,603	(79,551)	100%	61,902	11,512	51,920	-	1,137	2,337	-	
Transdev Participacoes SGPS SA													
Rua de Oslo, Centro Commercial Londres, Loja AC122,, 4460-388, Senhora Da Hora Portugal	17,000,000	1EUR	25,279	15,549	100%	108,000	55,330	27,185	-	399	(7,220)	-	
Transdev Connexxion Holding B.V.													
Stationsplein 13, TE Hilversum Netherlands	36,818	1EUR	37	(52,667)	100%	52,700	52,700	184,844	-	-	(4,619)	-	
TDG Innovation													
3 Allée de Grenelle 92130 Issy Les Moulineaux France	8,400	1,600EUR	6,300	(11,448)	100%	38,931	-	7,093	1,411	697	(2,676)	-	
Transdev Ceska Republica S.R.O.													
Klimentska 1207/10 Nové Mestro 110 00 Praha 1	50,000	10CZK	20	44,550	100%	50,167	50,167	10,573	-	1,751	(3,975)	-	
Transdev Ré													
145 Rue Kiem L-8030 STRASSEN Luxembourg	1,642,500	10EUR	16,425	-	100%	16,425	16,425	-	16,006	8,943	-	-	
Transdev Canada Inc													
1040 rue du Lux, Suite 510, Brossard, Quebec, Canada, J4Y 0E3	40,000,100	1,095,062,36CAD	102,108	382	100%	97,843	97,843	102,067	2,885	14,862	(1,145)	-	
Transdev North America Inc													
720 E. Butterfield Road Suite 300 Lombard IL. 60148 USA	1,000	1USD	-	257,736	100%	478,591	275,174	50,556	617,912	66,913	2,846	22,542	
Transdev Northern Europe AB													
Box 14091, 167 14 Bromma Sweden	7,000,000	7,14,SEK	4,506	(2,061)	100%	65,500	-	63,358	-	-	(16,551)	-	
Transdev GmbH													
Georgenstr. 22, 10117 Berlin Germany	25,600	1EUR	26	133,594	100%	246,500	33,073	65,000	-	73,510	17,278	-	
Transdev Australasia Pty Ltd													
Level 6, 550 Bourke Street, Melbourne, VIC 3000, Australia	67,100,000	0,70,AUD	28,961	17,813	100%	196,200	142,914	49,442	-	26,878	(10,221)	-	
2. EQUITY STAKES													
Not applicable													

B) General information on subsidiaries and equity interests of more than 10% whose value does not exceed 1% of Transdev Group SA's capital

(€ thousands)	Current value of securities held		Loans and advances made by TDG	Guarantees and pledges granted by TDG	2023		
	Gross	Net			Sales	Net income (loss)	Dividends received
1. Subsidiaries in which an equity stake of more than 50% is held							
1.1. French subsidiaries	1,357	1,292	306	181	-	-	2,374
1.2. Foreign subsidiaries	11,282	10,280	57,343	53,358	-	-	8,838
2. Equity interests (of between 10 and 50%)							
2.1. French subsidiaries	635	23	103	-	-	-	20
2.2. Foreign subsidiaries	-	-	-	-	-	-	-

C) General information on subsidiaries and equity interests of more than 10%

(€ thousands)	Current value of securities held		Loans and advances made by TDG	Guarantees and pledges granted by TDG	2023		
	Gross	Net			Sales	Net income (loss)	Dividends received
1. Subsidiaries							
1.1. French subsidiaries	1,583,356	493,459	240,774	181	-	-	57,374
1.2. Foreign subsidiaries	1,424,041	745,418	669,382	691,573	-	-	31,380
2. Equity interests							
2.1. French subsidiaries	635	23	103	-	-	-	20
2.2. Foreign subsidiaries	-	-	-	-	-	-	-
GRAND TOTAL	3,008,032	1,238,900	910,259	691,753	-	-	88,774

Statutory auditors' report on the financial statements

YEAR ENDED DECEMBER 31, 2023

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by French law, such as verification of the information concerning the Group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Transdev Group,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of Transdev Group for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2023 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the assessments that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Your Company has booked and measured equity interests according to the methods described in Note III.4.3 to the financial statements. As part of our assessments, our work consisted in examining the terms and conditions of implementation of these methods, assessing the data and assumptions on which the judgments and estimates used by your Company are based, and examining, on a test basis, the calculations made by your Company.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

Information relating to Corporate Governance

We attest that the section of the Board of Directors' management report on corporate governance sets out the information required by Article L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests has been properly disclosed in the management report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 821 55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Statutory financial statements

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- Assesses the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris-La Défense, March 12, 2024

The Statutory Auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Gilles Magnan

Eddy Bertelli

Jean-Christophe Goudard

Alexandre Chrétien



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