

# **ENVIRONMENTAL, EMPLOYEE AND SOCIAL INFORMATION 2022**

**This document is an extract  
from the Colas Annual Report**



**WE OPEN THE WAY**

# ENVIRONMENTAL, EMPLOYEE AND SOCIAL INFORMATION

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

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

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

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

## Introduction

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

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

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

## CSR commitments under the ACT project

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

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

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

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

(1) Health/Prevention/Security.

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

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

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

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

## Promoting CSR commitments and raising awareness

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

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

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

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

## Governance

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

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

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

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

## Implementing and monitoring action plans

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

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

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

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

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

## Measuring non-financial performance

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

## Communications

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

### Internal communications

#### DIGITAL TOOLS

Colas relies on various digital tools to keep employees informed:

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

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

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

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

## DEDICATED ACT PROJECT EVENTS

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

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

## BRANDING AND EMPLOYER BRAND

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

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

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

## External communications

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

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

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

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

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

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

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

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

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

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

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

### 1.1. Developing products and services geared toward sustainable development priorities

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

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

## PROMOTING ENVIRONMENTALLY FRIENDLY ALTERNATIVES TO LIMIT THE IMPACT ON THE ENVIRONMENT

To limit construction projects' impact on the environment, Colas offers its customers environmentally friendly alternatives, which require less energy, transportation and materials, and produce less greenhouse gas emissions than conventional products and techniques. For many years, Colas has used Seve<sup>®</sup>, the ecological comparison tool developed by the industry in France. This software, made available in English in 2022, is now being rolled out internationally, notably in the United Kingdom and Canada. The number of environmentally friendly alternatives offered reflects the state of each market, with conditions sometimes making it more difficult to offer such alternatives: for example, some countries, such as the United States, Canada and Morocco, do not allow environmentally friendly alternatives to be included in public tenders. Last year, the amount of greenhouse gas emissions avoided came to 7,261 metric tons, consistent with the number of environmentally friendly alternatives selected. For the BRT construction project in Cayenne, Colas proposed the use of ColGrill R (an asphalt mix reinforced with thermobonded glass fiber mesh), which can reduce CO<sub>2</sub> emissions by as much as 45% and uses less materials than the conventional solution. The Group also proposed installing solar panels on some shelters and buildings to reduce their lifetime environmental impact.

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

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

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

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

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

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

## CLIMATE CHANGE MITIGATION

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

## ADAPTING INFRASTRUCTURE TO CLIMATE CHANGE AND REGIONAL RESILIENCE

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

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

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

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

## LOW CARBON TRANSITION

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

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

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

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

## 1.2. Designing and promoting next-generation infrastructure

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

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

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

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

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

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

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

### 1.3. Involving stakeholders and promoting its CSR commitments

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

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

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

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

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

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

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

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

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

The climate emergency and the collapse of biodiversity are key challenges for the coming decades. Colas thus considers it of paramount importance to take a fresh look at how the Company operates around the world and make changes accordingly. Within this context, in December 2020, Colas announced an ambitious target to reduce its CO<sub>2</sub> emissions by 2030 relative to 2019 (baseline year):

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

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

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

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

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

In 2021, low carbon capex and opex spend was determined for the following three years. The goal is to incorporate low carbon efforts into Colas' annual strategic reviews. Low carbon capex is identified and included in investment requests submitted by Colas entities each year. An application has also been implemented to recover low carbon opex by calculating the amount of CO<sub>2</sub> emissions avoided.

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

### 2.1. Incorporating climate change priorities into the Group-wide strategy

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

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

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

## 2.2. Taking action to lower the carbon intensity of direct emissions

One of Colas' targets is to cut its direct CO<sub>2</sub> emissions by 30% by 2030. To achieve this target, Colas is working to reduce its use of fossil fuels (in particular, reducing the energy consumption of asphalt mixing plants by means of operating excellence), improve the energy efficiency of equipment and machinery, make the transition towards lower-carbon energy sources (low carbon fleet), innovate in new, lower-carbon production procedures (alternative fuels, substitutes for heavy fuel oil) as well as support changes in behavior.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## 2.3. Developing and promoting low carbon technologies and solutions

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

Existing low carbon solutions and techniques must then become known to customers, proposed in bids and, finally, selected. To this end, Colas’ low carbon solutions and techniques were promoted by all French subsidiaries in 2022. For example, the Île-de-France region produced explanatory videos for its design offices and superintendents. In France, many profit centers also held Customer Days to present Colas’ CSR approach and low carbon and circular economy products and ran Climate Fresco workshops for customers. In France, the Industry Department also implemented a system that uses Seve® data to identify CO<sub>2</sub> emissions per asphalt mix formula per asphalt plant. Mixes are classified on a scale from A to F, with the classification to be shown on asphalt mix data sheets.

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

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

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

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

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

## INCREASING THE REUSE OF RECYCLED MATERIALS

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

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

- reducing CO<sub>2</sub> emissions by avoiding the need to transport materials to the worksite and by preventing the need to produce asphalt mixes;
- saving natural resources, notably aggregates, by reusing material removed from the road, which is recycled in place.

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

## PURCHASING LOW CARBON MATERIALS

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

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

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

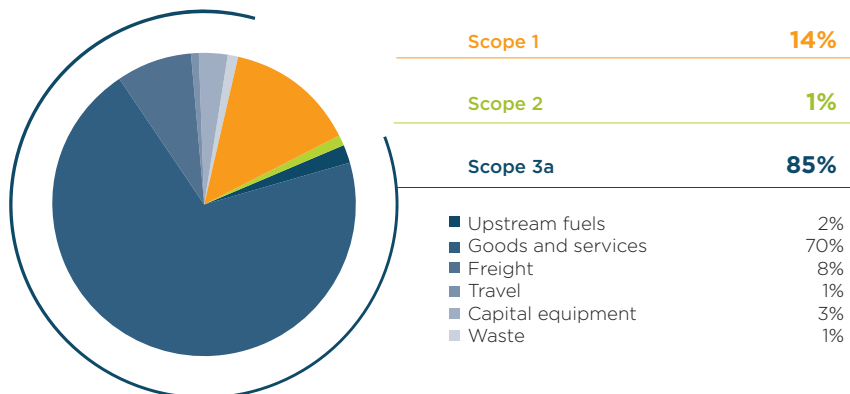
Every year, the Equipment Performance and Purchasing departments hold a Supplier Day – Construction Equipment Tenders, when Colas challenges its suppliers to reduce their greenhouse gas emissions.

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

## 2.4. Optimizing carbon accounting for operations

In 2022, Colas’ carbon footprint was 11.2 MtCO<sub>2</sub>e<sub>q</sub>, split between the following sources:

Breakdown of Colas’ carbon footprint by source



(2) Ready-mix concrete.

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

In light of the ENCORD<sup>(3)</sup> Construction CO<sub>2</sub>e Measurement Protocol "Guide to reporting against the Green House Gas Protocol for construction companies", Colas does not publish CO<sub>2</sub> emissions arising from the use of its products, for example in roads and railways.

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

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

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

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

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

In 2022, Colas implemented a new methodology for counting CO<sub>2</sub> emissions based on physical flows and expenditure data retrieved from its information systems. In particular, this methodology uses emission factors for purchased products, subcontracting, transportation, waste and capital assets. This new approach makes for a more accurate assessment of the Group's carbon footprint, taking into account the results of actions on the low carbon and biodiversity roadmap, as well as more accurately reflecting progress in other industry sectors (e.g., concrete and steel).

## 2.5. Helping customers and users achieve carbon neutrality and reduce emissions

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

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

### GREEN MOBILITY AND MUNICIPAL SERVICES

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

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

## URBAN COOLING ISLANDS

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

## PROMOTING RENEWABLE ENERGIES

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

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

## USE OF ALTERNATIVE FREIGHT

Colas reduces its CO<sub>2</sub> emissions from freight by using rail and inland waterways as alternatives to road haulage for its own transportation requirements. In 2022, the quantity of materials transported *via* alternative methods was equivalent to around 260,000 truckloads weighing 30 metric tons each. For example, Spac subsidiary Colas Environnement has implemented a system for removing earth by river rather than road. This approach was used to transport 4,000 metric tons of earth some 211 km along the Pont-Saint-Maxence construction site in Oise.

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

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

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

## 2.6. Incorporating priorities related to biodiversity loss into operations

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

### MOBILIZING THE WORKFORCE THROUGH AN AWARENESS-RAISING PROGRAM

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

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

## WORKING TO PROTECT AND RESTORE HABITATS AND SPECIES

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

For example, in 2022:

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

## DEVELOPING ECOLOGICAL ENGINEERING WORKS

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

Examples of achievements in France in 2022 include the following:

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

## RESPONDING TO THE CHALLENGES POSED BY SOIL SEALING AND LAND TAKE

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

## COMBATTING THE SPREAD OF INVASIVE ALIEN SPECIES

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

## CONTROLLING AIR, WATER AND SOIL POLLUTION

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

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

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

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

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

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

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

## 3. Promoting circular economy solutions to preserve natural resources

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

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

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

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

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

(4) ADEME data published in 2018.

(5) Stationary and mobile recycling platforms.

### 3.1. Rising to the challenges of the circular economy across the Group

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

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

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

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

### 3.2. Investing in R&D to recycle materials

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

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

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

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

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

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

### 3.3. Developing and promoting the use of recycling platforms

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

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

In 2022, Colas France also launched two new service offerings based on its network of Eco-tri and Valormat sorting and recycling platforms and aimed at these platforms' different customer segments, ranging from small-scale traders to large construction firms. On average, these external customers account for 70% of the Group's customer base in the materials industry. Between now and 2026, the Group aims to achieve a 50% increase in the volume of materials recycled through this network of 160 platforms. Projects to develop recycling and sorting platforms are also under way in other countries to supplement and boost coverage and expand recovery efforts. In 2022, the Colas Group recycled 11.4 million metric tons of materials *via* its platforms – equivalent to the output of 45 medium-sized quarries.

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

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

### 3.4. Offering customers circular economy solutions

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

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

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

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

For example, in Australia Colas proposes the use of sealcoating, where a sealant is applied to road surfaces to extend their service life. Colas also uses in-place recycling techniques where materials recovered from the previous infrastructure are reused directly in road construction. This process, used in particular in France under the Recycol brand, was used in 2022 to resurface three streets in the city of Coventry, United Kingdom: the Seve<sup>®</sup> eco-comparison tool was used to quantify CO<sub>2</sub> and materials savings before work began. In Canada, the Group’s subsidiary Miller ran an employee training webinar during Sustainable Development Week highlighting the commercial and technical benefits of this process and explaining how it can help protect resources and limit transportation requirements. In another field, drainage, staff at Colas’ Valence profit center use trenchless rehabilitation techniques when carrying out piping work. This makes it possible to maintain infrastructure while significantly reducing the need to excavate and treat materials.

#### **LIMITING AND MANAGING THE AMOUNT OF WASTE GENERATED BY EACH WORKSITE**

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

#### **OFFERING SOLUTIONS FOR RECOVERING AND RECYCLING MATERIALS**

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

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

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

(6) Extended Producer Responsibility.

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

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

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

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

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

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

## 4. Reducing the impact of activities to bolster acceptability

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

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

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

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

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

#### ENVIRONMENTAL POLICY

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

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

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

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

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

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

**Assessment tools:** for its projects, Colas also takes into account environmental issues of its products and services. This entails, in particular, carrying out lifecycle analyses for some products (e.g., Vegecol<sup>®</sup>), offering alternatives that are more environmentally friendly than standard solutions (for example with the help of the Seve<sup>®</sup> software). An English language version of Seve<sup>®</sup> was developed by trade body "Routes de France" and is currently being used by Colas UK to promote environmentally friendly alternative solutions to its customers. For example, on an asphalt paving project in Coventry (United Kingdom), Seve<sup>®</sup> calculated that using the Recycol in-place road recycling process had reduced the amount of CO<sub>2</sub> by 71% compared with the conventional solution.

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

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

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

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

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

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

## ENVIRONMENTAL TRAINING AND AWARENESS

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

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

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

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

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

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

## REDUCING ENVIRONMENTAL IMPACT

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

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

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

### Airborne discharges

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

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

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

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

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

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

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

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

## Nuisances: odors, noise and dust

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

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

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

## Water management and water stress

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

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

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

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

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

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

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

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

## Waste

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

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

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

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

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

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

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

## 4.2. Improving the social acceptance of our facilities and worksites

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## MAXIMIZING THE SOCIOECONOMIC BENEFITS OF OUR ACTIVITIES

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

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

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

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

## 5. Attracting, developing and retaining employees through managerial excellence

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

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

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

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

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

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

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

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

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

### 5.1. Attracting and onboarding talent

#### ATTRACTING TALENT

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

#### Sharing

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

The duties of this corporate unit are:

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

## Attracting

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

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

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

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

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

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

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

## Transforming

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

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

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

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

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

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

## ONBOARDING TALENT

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

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

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

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

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

## Compensation and benefits policy

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

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

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

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

Other highlights in 2022:

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

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

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

## Staff transfers

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

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

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

## DEVELOPING A RESPECTFUL AND INCLUSIVE ENVIRONMENT

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

## Executive Management's commitments

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

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

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

## Fair and inclusive processes and standards

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

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

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

## Awareness, communication and training of HR teams and managers

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

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

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

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

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

(7) Women Impacting Storebrand Excellence.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) Fixed-term and permanent contracts.

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

## 5.2. Developing employee potential

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

The Group's training priorities are:

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

### DEVELOPING KEY SKILLS AND EMPLOYABILITY

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

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

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

### NURTURING THE CORPORATE CULTURE

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

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

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

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

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

## REINFORCING OPERATIONAL EXCELLENCE

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

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

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

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

## SUPPORTING STRATEGIC CHANGE

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

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

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

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

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

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

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

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

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

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

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

### 5.3. Creating a high quality work environment

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

#### LISTENING TO EMPLOYEES AND LABOR-MANAGEMENT DIALOGUE

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

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

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

#### AGREEMENTS AND WORKING CONDITIONS

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

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

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

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

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

## ENCOURAGING EMPLOYEE INVOLVEMENT

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

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

## PATRONAGE AND SPONSORSHIP

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

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

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

## 6. Fostering a stronger health and safety culture to protect lives

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

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

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

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

## 6.1. Consolidating the health and safety culture for all stakeholders

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

### ENHANCING WORKPLACE SAFETY

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

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

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

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

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

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

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

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

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

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

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

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

(1) Number of lost-time accidents x 1,000,000/Number of hours worked, not including accidents following sudden health incidents or commuting accidents. These are accidents declared and recognized by the competent authorities, e.g., the CPAM in France.

(2) Number of working days lost x 1,000/Number of hours worked, in line with the regulatory definition of "Severity rate": "Working days lost in the current year are taken into account even if the accident occurred in the previous calendar year."

(3) The number of fatal accidents relates to the registered workforce and consists of accidents linked to occupational activities resulting in death, including road traffic accidents. Commuting accidents and fatal accidents following sudden health incidents are not included.

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

## ROAD SAFETY

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

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

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

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

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

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

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

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

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

## PROTECTING HEALTH IN THE WORKPLACE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### MANAGING THE PUBLIC HEALTH CRISIS

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

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

## 7. Building a responsible supply chain rooted in sustainable performance

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

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

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

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

### 7.1. Training and empowering buyers

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

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

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

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

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

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

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

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

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

- offering incentives to use weaker concrete mixes and buy low carbon concretes;
- renting electric equipment (e.g., electric chargers hired by the Lyon profit center for the Villeurbanne construction site);
- buying green electricity (all electricity purchased in France and Belgium was covered by guarantees of origin);
- with the gradual installation of electric vehicle charging points in France, electric vehicles were incorporated into the vehicle fleet;
- rollout in France of the biofuel Oleo100 to replace diesel fuel for heavy vehicles (rollout of around 100 tanks in 2022 to be used in 700 vehicles, with a target of converting 70% of the heavy vehicle fleet by 2023). The Group also entered into a framework agreement with Saipol in 2022 to secure supplies until 2030;
- new CO<sub>2</sub> criteria are built into the ongoing global tender for capex on wheeled equipment (e.g., excavators, loaders and trucks);
- Duradrain recycled plastic curbs (ten times lighter and with an integrated drainage system, resulting in a 60% reduction in the carbon footprint) were used instead of granite curbs on a construction site in the United Kingdom (A46 trunk road);
- Colas pursued innovative partnerships to reduce its suppliers' environmental impact (e.g., partnering with Volvo to roll out electric excavators and dump trucks);
- worked with the Equipment Performance Department to organize a Supplier Day - Construction Equipment Tenders, when Colas challenged its suppliers to reduce their greenhouse gas emissions.

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

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

### **7.3. Making sure suppliers and subcontractors are committed to and delivering on CSR**

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

To make sure suppliers are committed to and delivering on CSR, Colas draws on a range of tools and initiatives such as its CSR charter for suppliers and subcontractors, specific contractual clauses, CSR assessment questionnaires and external audits. For example, suppliers invited to submit bids in relation to capital equipment must complete a questionnaire in which they are specifically asked to highlight the CO<sub>2</sub>-related aspects of their proposals.

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

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

### **7.4. Ensuring that Colas honors its CSR commitments toward its suppliers and subcontractors**

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

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

## 8. Consolidating an exemplary culture of ethics and compliance

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

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

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

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

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

#### CORRUPTION RISK MAPPING

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

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

#### HUMAN RIGHTS

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

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

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

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

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

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

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

## ASSESSMENT OF THIRD PARTIES

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

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

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

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

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

## 8.2. Implementing rules of ethical conduct

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

### AWARENESS OF COMPLIANCE PROCEDURES

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

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

### COMMUNICATIONS

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

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

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

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

## TRAINING

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

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

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

### 8.3. Applying ethics and compliance procedures

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

## EXECUTIVE COMMITMENT

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

## INTERNAL MONITORING AND ASSESSMENT OF MEASURES IMPLEMENTED

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

### 8.4. Security of personal data

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

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

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

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

## Note on methodology

### EMPLOYEE INDICATORS

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

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

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

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

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

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

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

These indicators are expected for France:

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

These indicators are expected for Worldwide:

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

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

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

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

(2) Outside France, the total number of employees hired over the year is recognized, regardless of the nature of the employment relationship ("permanent" or "seasonal" employees).

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

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

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

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

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

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

(9) Figures related to training are consolidated in fiscal year Y for the period Y-1.

(10) Including e-learning.

(11) Number of lost-time accidents x 1,000,000/Number of hours worked, not including accidents following sudden health incidents or commuting accidents. These are accidents declared and recognized by the competent authorities, e.g., the CPAM in France.

(12) Number of working days lost x 1,000/Number of hours worked, in line with the regulatory definition of "Severity rate": "Working days lost in the current year are taken into account even if the accident occurred in the three previous calendar years."

(13) The number of fatal accidents relates to the registered workforce and consists of accidents linked to occupational activities resulting in death, including road traffic accidents. Commuting accidents and fatal accidents following sudden health incidents are not included.

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

## ENVIRONMENTAL AND SOCIAL INDICATORS

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

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

- fully consolidated companies;
- proportionally consolidated companies.

The following are out of scope starting in 2022:

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

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

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

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

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

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

In addition, the new methodology for counting Scope 3a CO<sub>2</sub> emissions is based on physical flows and expenditure data retrieved from Colas' information systems. Historical data stored in these information systems cannot be used to recalculate Scope 3a CO<sub>2</sub> emissions based on this new methodology. Consequently, since comparisons with 2022 are not possible, the following values are not shown for 2020 and 2021:

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

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

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**Promoting circular economy solutions to preserve natural resources**

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**Recycling**

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

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

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

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

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

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Colas, a French Société Anonyme with a capital of 48,981,748.50 euros. RCS Paris 552 025 314.



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Designed & published by  **LABRADOR** +33 (0)1 53 06 30 80



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