INTRODUCTION

In 2017, SNCF focused more intensely than ever on sustainable development. As we laid the groundwork for our Group’s future, we clearly affirmed our commitment to energy transition and the environment, good corporate citizenship in the regions where we do business, the circular economy and more.

In fact, we are so actively engaged in these areas that we no longer think in terms of corporate social responsibility, but of corporate social engagement. Because the successes described in this report were achieved through the personal engagement of every SNCF employee.

Last November our Executive Board held a special meeting to identify key action areas, and drew up a list of 14 priorities. Non-financial ratings of SNCF and SNCF Réseau are high, with Vigeo Eiris awarding both a score of 66 (up 13 points and 16 points, respectively). And as a member of the Advanced Club of the UN Global Compact France we continue to support its Ten Principles.

In 2017 we used digital technology to conduct an all-new materiality assessment, collecting responses from over 8,000 stakeholders, both inside and outside SNCF Group. The result is an extremely rich store of data that we have used to zero in on our stakeholders’ top concerns. Our respondents put safety first, of course, but also care deeply about a variety of climate and environmental issues. And they have very high expectations for a mobility that is not just sustainable but inclusive, with affordable prices and access to transport for all. This view is in harmony with SNCF’s commitment to be a mobility integrator, as reflected in our motto “To grow our rail business, we have to offer more than rail”. These survey results will be a touchstone as we craft our new social engagement strategy in the second half of 2018.

Also in 2017, we took even stronger positions on climate issues, both at home and abroad. In France, for example, SNCF was an active participant in the Mobility Summit, and we made major strides towards making hybrid trains part of our TER regional service. On the international stage, SNCF Réseau generated funding through three green bond issues that attracted investors from around the globe, and we emphasized the importance of having a credible, comprehensive carbon footprint for every major transport project, for both construction and operations. The rail sector—particularly upgrades to the existing network—can only benefit from greater environmental transparency. SNCF is now firmly committed to France’s goal of achieving carbon neutrality by 2050, in particular by phasing out fossil fuel-powered traffic by that date.
Our top three priorities for 2018 are safety, robust operations and excellent customer information, a clear sign that our financial success is inseparable from our non-financial success. The three SNCF programmes designed to achieve these goals—PRISME, H00 and FIRST—will be rolled out or stepped up in 2018.

This will be a pivotal year as we continue to transform SNCF. Throughout that process, awareness of our responsibilities to the environment, to our people and to society as a whole will anchor us and inspire every SNCF employee to remain engaged.

As you can see, this year’s report is more focused and strategic, reflecting our commitment to be what our stakeholders expect us to be: a company dedicated to useful, open mobility that is working to meet every sustainable mobility need and become a true model of corporate social engagement.

Since 2003, SNCF has been a member of the UN Global Compact, which encourages businesses to align their strategies and operations with 10 principles on human rights, fighting corruption, labour law, and the environment. And since 2015, SNCF’s CoP report for the UN Global Compact has qualified as GC Advanced.
ABOUT THIS REPORT

Aims

To promote the increasingly strategic role and scope of sustainable development at SNCF Group, we opted this year to shift from a standard Corporate Social Responsibility Report to a more detailed statement that describes our full extra-financial performance.

The result is this 2017 report, a more focused strategic review. It sets out SNCF Group’s sustainable development policy, analysing our business, our environmental and social priorities, and our strategy for creating value.

This was also an opportunity to revisit the reporting framework for our Group’s extra-financial performance, and we focused on making the content more accessible and more readily understandable for all of our stakeholders.

SNCF’s reporting framework for extra-financial reporting

<table>
<thead>
<tr>
<th>DOCUMENT</th>
<th>TARGET READERS</th>
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<tbody>
<tr>
<td>Corporate Social Engagement Report</td>
<td>All stakeholders, especially SRI analysts and investors</td>
</tr>
<tr>
<td>Theme-based fact sheets (focusing on SNCF Group challenges and engagements, plus select achievements), published in summer 2018</td>
<td>SRI analysts and investors</td>
</tr>
<tr>
<td>Website—sncf.com/our_commitments</td>
<td>General public</td>
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<tr>
<td>2017 Financial Report</td>
<td>Analysts and investors</td>
</tr>
<tr>
<td>SNCF Réseau Social Responsibility Report</td>
<td>SRI analysts and investors</td>
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</tbody>
</table>
How to read this report

We have used the icons below to identify information related to the Sustainable Development Goals (SDGs) adopted by the United Nations.

Methodology

This social engagement report outlines the policy of SNCF Group, which consists of the Groupe Public Ferroviaire (GPF) or state-owned rail group, itself made up of SNCF EPIC, Mobilités EPIC and Réseau EPIC—and various subsidiaries.

The abbreviations GPF, K, G and O are used to show the scope of application for each indicator:

- GPF: Groupe Public Ferroviaire (the three EPICs, no subsidiaries)
- K: Keolis
- G: GEODIS
- O: other subsidiaries

Verification of indicators:

- ✔ Data verified by statutory auditors with “moderate assurance”.
- ✔ ✔ Data verified by statutory auditors with “reasonable assurance”.

For each key concept presented in this report, we surveyed our stakeholders on:

- ➡ The importance they attached to the concept:
  - Very important: +++
  - Important: ++
  - Somewhat important: +

- ➡ Their perception of SNCF’s performance in each area:
  - Strong: +++
  - Moderate: ++
  - Weak: +
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SNCF AT A GLANCE

SNCF is a world leader in passenger transport and freight logistics, with international markets accounting for one-third of our €33.5 billion in annual revenue. Our goal is to become the benchmark for mobility and logistics solutions in France and worldwide.

KEY FIGURES

€33.5 billion in revenue (up 4.2%)
270,000 employees
Over 30,000 km of track, including one of the world’s largest high-speed networks, totalling 2,600 km
15,000 trains a day
14 million passengers/day worldwide, including 5 million in France.

BUSINESS AREAS IN 2017*

- Logistics
- Mass transit
- Long-distance—passengers
- Consulting & rail engineering (incl Systra, consolidated under the equity method)

*Revenue from companies in which SNCF Group has equity interests (controlling or not)
Transforming mobility with digital technology

As digital transformation changes the relationship between public and private transport, it is changing business models as well. Digital technologies are revolutionizing production processes, paving the way to a more automated, higher-capacity network that is easier to maintain. These same trends are upending customer relationships and shifting value to digital platforms, which are new segments of the mobility chain.

Stepped-up competition across all business lines

SNCF has already proven to be a successful competitor: Keolis has grown in France and around the world; GEODIS has emerged as a world-class logistics specialist, and we’ve expanded our European rail freight business. Intermodal competition—ride-sharing, coaches and low-cost air travel—will intensify, and we’ll face new domestic and foreign competitors when the French rail market opens up (in 2020 for high-speed commercial rail and by 2023 for regional contract transport).
Our business model

At SNCF, we do business in nearly every segment of the mobility market, combining the confidence born of experience with the resilience born of innovation.

Buoyed by our strengths—our collective know-how, our desire to meet new challenges, our environmental edge and our key role in society—we have adopted the goal of delivering sustainable, personalized mobility.

A COMPREHENSIVE OFFER FOR EASIER MOBILE LIVING

<table>
<thead>
<tr>
<th>TRANSPORT OFFER</th>
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<tbody>
<tr>
<td>SNCF GARES &amp; CONNEXIONS</td>
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<tr>
<td>SNCF RÉSEAU</td>
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<td>SNCF IMMOBILIER</td>
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<td>SYSTRA, AREP</td>
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<th>BUSINESS LINES</th>
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<tr>
<td>PASSENGER TRANSPORT</td>
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<td>Commuter mobility</td>
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<td>URBAN /PERI-URBAN KEOLIS</td>
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<td>REGIONAL TER, TRANSILIEN, INTERCITÉS</td>
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<td>FREIGHT TRANSPORT</td>
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<td>FRANCE AND EUROPE VOYAGES SNCF</td>
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<td>SNCF LOGISTICS</td>
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<tr>
<th>SOURCE OF REVENUE</th>
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<tr>
<td>Public service mgmt contracts (with cities and metropolises)</td>
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<td>Ticket sales to passengers</td>
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<td>Services sold to shippers</td>
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<table>
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<th>2017 REVENUE</th>
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<tbody>
<tr>
<td>€5.4bn</td>
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<tr>
<td>€8.6bn</td>
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<tr>
<td>€8bn</td>
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<td>€10.3bn</td>
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<table>
<thead>
<tr>
<th>RANKING</th>
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<tbody>
<tr>
<td>#1 worldwide in automated metros and light rail</td>
</tr>
<tr>
<td>#1 in France and #4 in Europe for freight transport</td>
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<table>
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<tr>
<th>INFRASTRUCTURE DESIGN AND MANAGEMENT</th>
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<td>STATIONS</td>
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<td>SNCF GARES &amp; CONNEXIONS</td>
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<td>NETWORK</td>
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<td>SNCF RÉSEAU</td>
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<td>REAL ESTATE</td>
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<td>SNCF IMMOBILIER</td>
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<tr>
<td>CONSULTING</td>
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<td>SYSTRA, AREP</td>
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<table>
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<tr>
<th>SOURCE OF REVENUE</th>
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<tbody>
<tr>
<td>Fees from rail companies and retailers</td>
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<tr>
<td>Track access fees paid by rail companies</td>
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<tr>
<td>Disposals, development, rent</td>
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<table>
<thead>
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<th>2017 REVENUE</th>
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<tr>
<td>€1.2bn</td>
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<tr>
<td>€6.4bn</td>
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<tr>
<td>€0.7bn</td>
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<td>Not consolidated</td>
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<table>
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<tr>
<th>RANKING</th>
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<tbody>
<tr>
<td>#2 property owner in France</td>
</tr>
<tr>
<td>#1 worldwide in transport infrastructure design</td>
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### SAFE, RELIABLE MOBILITY
- On-time performance nearly 90%
- With stable customer satisfaction rate
- €8.8bn invested, incl. €5.2bn to modernize the rail network
- Over 1,000 km of track renovated
- 30% fewer Notable Safety Events since 2015
- 9.8% less deliberate violence than in 2016

### MOBILITY FOR ALL
- 14m passengers a day
- 170,000 shippers in France and worldwide
- 3rd largest investor in France with €16.4bn in investments & spending
- 165,000 indirect jobs in France**
- Over 80% of workforce involved in training
- €5m annual budget for The SNCF Foundation

### CONVENIENT MOBILITY
- Door-to-door transport growth: 1.2m members of OuiCar
- 30,000 automobiles for rent
- Creation of OUI.sncf, a broader relational platform with more personalization
- More in-station services (city boosters)

### INDUSTRIAL RESOURCES
- 30,000 km of track, incl. 2,100 km HS line
- 3,000 stations
- €12m sq m of industrial and tertiary buildings
- €14bn in purchases from over 20,000 suppliers including 13,000 SMEs

### HUMAN & INTELLECTUAL RESOURCES
- 270,000 employees
- 12,000 recruited in France
- 27 patents filed in 2017
- 9,116 GWh Electricity consumed Group-wide
- 7,788 GWh Electricity consumed by rail traction

### ENVIRONMENTAL RESOURCES
- Less than 1% of GHG emissions to carry 10% of passenger and freight traffic by train
- 25x less GHG when passengers take a train instead of driving alone
- 84,000t CO₂ avoided in 2017 thanks to rail motorways

### RESOURCES
- €2,857m in self-financing capacity
- Positive free cash flow for SNCF Mobilités, but structural losses for SNCF Réseau, with debt of €46.6bn (up €1.7bn)
- €830m in productivity gains
- €33.5bn REVENUE*

### VALUE CREATION
- 14m passengers a day
- 170,000 shippers in France and worldwide
- 3rd largest investor in France with €16.4bn in investments & spending
- 165,000 indirect jobs in France**
- Over 80% of workforce involved in training
- €5m annual budget for The SNCF Foundation

### SUSTAINABLE MOBILITY
- Less than 1% of GHG emissions to carry 10% of passenger and freight traffic by train
- 25x less GHG when passengers take a train instead of driving alone
- 84,000t CO₂ avoided in 2017 thanks to rail motorways

### TOP EXTRA-FINANCIAL RISKS
- Workplace health and safety
- Safety of people and goods
- Labour relations in the broadest sense, including social cohesion, career paths and professional training for all GPF employees
- Purchasing from suppliers
- Retention of personal data
- Ethical issues linked to corruption and failures of integrity
- Environment
- Climate change

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*Revenue is less than total from business lines (intra-Group services excluded)

**Source: LOCAL FOOTPRINT© by UTOPIES.
Strategy and outlook

As we become increasingly open to customers, to the world and to innovation, we can use competition and transformation as opportunities to improve our overall performance and make SNCF Group the mobility champion of the 21st century.

Covering every link in the mobility chain

To understand the mobilities of tomorrow, we must anticipate needs and position ourselves in every segment of the mobility chain, particularly in business areas that:

- Are essential to the success of the entire chain—a robust network, low-cost mobility, and multimodal logistics;
- Create value today and tomorrow: new mobilities such as self-driving cars, car-sharing and all forms of shared mobility, distribution and info-mediation platforms, new technologies, and intermodality at stations;
- Are growing, matching the right modes (logistics, coach transport, rail and more) with promising markets (Europe, the Americas, Middle East and Asia);
- Round out our legacy rail business, enabling us to present customers with a comprehensive, differentiated offer.

Reinventing ourselves and building tomorrow’s SNCF

At Group level, we must adopt two new strategic priorities to power our growth:

- Extracting value from data: every customer is unique, and each customer must feel that there is only one SNCF Group, attentive to all expectations. A coordinated data strategy is the key to maximizing this personalized approach. Data management affects the entire chain, enabling us to deliver customized services (in real time, in some cases); to practice predictive maintenance for our infrastructure and rolling stock; and to improve our responsiveness and customer communication by anticipating incidents.
- Technological innovation: it is our responsibility to identify and experiment with disruptive technologies and derive maximum advantage for all. We are moving towards this goal through a shared commitment to projects such as self-driving trains, mobility as a service, and bringing the energy transition to our own operations.
SNCF Group consists of three state-owned industrial and commercial enterprises, or EPICs—SNCF, SNCF Réseau and SNCF Mobilités—and various subsidiaries.

At SNCF, social engagement is an integral part of corporate governance, with SNCF EPIC setting overall strategy and sustainable development policy for the entire Group1.

GOVERNANCE

KEY FIGURES

- **24** board members
- **7** Supervisory Board meetings held in 2017
- **74.7%** attendance rate

Governance of the EPICs

SNCF EPIC heads SNCF Group, under the leadership of an Executive Board whose members are named by the French Council of Ministers. These members are the Chair of SNCF Mobilités (Chair of the Executive Board) and the Chair of SNCF Réseau (Deputy Chair of the Executive Board). Decisions are taken unanimously: if members cannot agree, the Chair of the Supervisory Board must decide.

The Supervisory Board sets the Group’s course in the areas of strategy, business, labour relations and technology and oversees deployment of SNCF’s mission by the Executive Board. Its Chair and many of its other members are representatives of the French State—a sign of the State’s commitment to staying actively involved in the SNCF Group’s leadership.

SNCF Réseau and SNCF Mobilités are each governed by a Board of Directors, which includes representatives of SNCF EPIC, thus ensuring unity within the GPF.

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1 Under Article 2 of Decree No. 2015-137 of 10 February 2015, on SNCF’s mission, articles and bylaws, and on the mission to oversee the business and financial aspects of transport.
Sustainability governance

Sustainability governance comes from the highest level of the company—SNCF EPIC’s Supervisory Board—and in particular from the Strategy, Business Focus and Social Cohesion Committee and from the Executive Board, which held a special meeting at year-end 2017 to discuss sustainability issues.

Our Sustainable Development Division is attached to SNCF EPIC’s General Secretariat and acts on behalf of the three EPICs and the Group’s subsidiaries. Its mission is to:

- Set and oversee the Group’s social engagement policy;
- Help all of the Group’s actors adapt and deploy this policy;
- Maintain dialogue with Group stakeholders and highlight our sustainable development policy, both within and outside SNCF.

The Sustainable Development Division coordinates policy for the three EPICs, our business lines and our subsidiaries. It also provides leadership for the regional networks of SNCF Mobilités and SNCF Réseau, as well as the network of Mobilités and Réseau experts at national level.

A special French network, Ecomobil’Club, is dedicated to sustainable development and acts as a forum for exchanging information and best practices.

In all, SNCF’s environmental/social responsibility community totals some 500 people.

Energy governance

Energy-related initiatives are led by the Energy Division, a unit of SNCF Mobilités that is supported by a Strategic Committee and network coordinators within each business. Many other divisions also contribute to our social engagement policy, including human resources, purchasing, innovation and research.
Our commitments: the Executive Board’s 14 initiatives in 2018

In 2017, we consolidated our engagement efforts and formalized them in a roadmap, approved by the Executive Board. This identifies 14 priorities across SNCF Group’s five main areas of social responsibility: carbon-climate-energy, labour relations, society, the environment, and cross-functional issues. In doing so, we’ve anchored our social engagement at the highest level and opened the door to developing a new roadmap for 2025 that is consistent with our long-term strategy.
RESPONSIBLE INNOVATION

As we pursue our sustainability policy, we’re exploring new avenues and harnessing new resources—including scientific and technical expertise—to achieve sustainable mobility for everyone.

Research

Our Innovation & Research department has embarked on a major energy efficiency drive spanning the entire mobility system, based on two clusters: Energy and Sustainable Development. Each is staffed by dozens of experts from across the Group, with four working groups tackling issues around acoustics, plant protection products, biodiversity, indoor air quality, and other subjects over the past few years.

In 2015, we launched Tech4Rail—a far-reaching overhaul of our systems—to prepare for the technology changes to come and to help SNCF shape the future of mobility. Our Innovation & Research department is working on a new hybrid train, combining a conventional diesel and/or electric locomotive with on-board lithium-ion batteries and a braking energy recovery solution that powers the locomotive and auxiliary systems. This ground-breaking technology is helping to place SNCF—and the wider rail industry—at the forefront of the energy transition and marks the first step towards a fossil fuel-free future.

AirLAB

Our SNCF Logistics division is a founding member of AirLAB, a brand-new air quality innovation ecosystem set up to showcase France’s environmental expertise to the world. The initiative is spearheaded by Airparif, which monitors air quality in the Paris region, and draws together institutional partners, major corporations and start-ups.

In 2017, the partnership delivered tangible results, with air quality monitoring equipment installed on an electric delivery vehicle operated by GEODIS. This vehicle will enter active service in central Paris in 2018, collecting data on an unprecedented scale. Its devices will capture information about particulate and nitrogen oxide pollution, enhance air quality mapping capabilities, and provide a reliable testing ground for new mobile sensors.

Mobile Lives Forum

In 2011, we founded the Mobile Lives Forum, an independent think tank of intellectuals, researchers, creatives and transport practitioners exploring what sustainable mobility could—and should—look like in the years to come, and how to work locally with individuals, businesses and the public sector to make this vision a reality. The forum is currently heading up around 30 research projects.
Programmes for start-ups

The 574s

Our 574 units, named after SNCF’s world-record speed of 574.8 km/h set in 2007, are local tech and creative hubs that show how we’re harnessing digital technologies to transform our organization. These physical spaces—part business incubators, part project accelerators and process innovation centres—are places where experts can connect and collaborate with local businesses and organizations.

Factory of the Future programme

Factory of the Future is a four-year programme, spanning 10 sites and 7,000 employees, to bring modern, digital technologies to our technicentres. The initiative draws on cutting-edge in-house expertise, along with input from external SMEs, start-ups and major corporations.

Jeune Pousse startups

In 2015, our SNCF Développement subsidiary launched Jeune Pousse, that accompanies startups in their development. This first-class support programme gives startups vital networking opportunities, a chance to showcase their ideas, and access to services from other promising new businesses in the SNCF Développement ecosystem.

AIR programme

At SNCF Développement, we organize joint workshops and coaching sessions for start-ups and SNCF Réseau project managers to help uncover new ideas that could address our needs—from staff security, sensors, robotics, data processing and other operational solutions, to support functions such as HR and legal. Since launching the programme in 2015, we’ve taken 30 ideas from proof-of-concept to deployment at scale, and signed development contracts with the organizations behind 18 of them.

Breaking new ground with Open Data

In 2012, we became the first major French company to embrace Open Data. Our new data portal, data.sncf.com, shows how we’re continuing to lead the way, and how we’re harnessing mobility data for everyone—businesses, app designers and developers, and the general public. Today we publish information and statistics about our infrastructure; we track maintenance and upgrade work, our social, environmental and financial performance, our fares, public perceptions of our organization—and much more besides. And in 2017, we unveiled a brand-new data use charter explaining why we believe in being transparent and what our legal obligations are. This also sets out Transparency International’s recommendations.

KEY FIGURES

200+ datasets published in 2017
OUR VALUES

Ethics

As an ethical, transparent organization, we uphold the fundamental principles of CSR: we do business ethically, we’re open and transparent, we recognize our stakeholders’ interests and the importance of stakeholder dialogue, and we follow international standards of conduct.

How ethics is governed

Our Ethics Charter, endorsed by the Supervisory Board and the Executive Committee, lays out the five core values that apply across our organization—integrity, responsibility, respect for people, trust, and character. It also sets out 11 key principles governing how our people should conduct themselves (see page 97), and the three golden rules they should follow if they have concerns, face a dilemma or witness unethical practices: exercise professional judgement, seek advice, and report contraventions.

The SNCF Ethics and Deontology Division is tasked with promoting ethical standards, ensuring our people follow the rules, and managing our whistleblowing and advisory systems.

KEY FIGURES

3 Group Ethics Committee meetings in 2017

128 in-person ethics awareness sessions, reaching around 4,300 employees

The Group Ethics Committee, staffed by members of the SNCF Group’s corporate divisions and governing bodies, oversees the work of the Ethics and Deontology Division and draws up draft recommendations. In 2017, our network of Ethics Liaison Officers produced materials and organized awareness sessions to explain the new Ethics Charter and the obligations arising from France’s Transparency, Anti-Corruption and Economic Modernization Act.

Ethics awareness

In 2017, we added four new fact-sheets to our “Ethics in Action” collection, covering free travel entitlement, use of agents, social media, and staff conduct while travelling abroad on business. The Ethics and Deontology Division delivered awareness sessions, and advised and supported managers dealing with situations that run counter to the principles of secularism and religious neutrality.

Around 160 people attended our “Ethics Day” event, where they learned about our whistleblowing system, the principles of secularism and religious neutrality, how we prevent corruption, and how to conduct themselves on social media—all key themes of our Group-wide ethics policy. We also held an “Ethics Morning” session to draw attention to secrecy and confidentiality issues.
Fighting corruption

We launched our voluntary initiative to prevent and fight corruption in 2015. And in 2017, we worked on a new corruption prevention and detection programme, now a legal requirement under France’s Transparency, Anti-Corruption and Economic Modernization Act:

- We adopted a Code of Conduct outlining the dos and don’ts that shape our action and behaviour.
- We worked with the Audit and Risk Division on our risk-mapping system.
- We delivered further training to employees with the highest exposure to risks.
- We circulated three standard supplier questionnaires to ensure that the businesses we work with are compliant with anti-corruption and probity requirements.

Avoiding conflicts of interest

In June 2015, the Ethics and Deontology Division circulated guidance for all Group employees and managers, explaining what conflicts of interest entail, how to avoid them, and what course of action to take when they occur. We also published a new Public Affairs Charter under our partnership with Transparency International France.

Protecting personal data

In 2016, the Ethics and Deontology Division put the finishing touches to our data protection compliance programme. We now keep a list of everyone who has access to our HR data processing software, and what permissions they have. We also require authorized employees to sign a non-disclosure agreement outlining their legal obligations.

In 2017, we began working towards compliance with the EU’s General Data Protection Regulation (GDPR) ahead of the 25 May 2018 deadline. This meant analysing our existing processes and making significant changes: mapping all our data processing operations, setting priorities, managing risks, drafting new internal compliance standards, and much more. The “personal data” working group set up in May 2017 opted to follow the French Data Protection Authority’s (CNIL) guidelines.

KEY FIGURES

1,135 SNCF Group employees and 1,663 Keolis employees received corruption awareness training in 2017
Responsible procurement

At SNCF, we consider how our business affects the economy, the environment and society at large—across the entire life-cycle of our products and services.

We signed the Charter for Responsible Supplier Relations in 2010. And in 2017 we were awarded the Responsible Supplier Relations mark for the second year running.

Our Group-wide policy

Our Ethical Procurement Charter applies to everyone involved in procurement across the entire SNCF Group, and since 2008 we’ve included sustainability criteria in all our tender specifications. We’ve also added new responsible procurement modules to the compulsory training that all our buyers follow, to make sure they understand our policy.

In 2011, we launched an environmental and social risk management programme, identifying those aspects of our business that pose the greatest risk. We use the EcoVadis platform to assess our suppliers’ CSR performance in these high-risk areas, drawing up improvement plans and conducting audits to help suppliers that fall short of the mark do better.

Mediation is another important part of our responsible procurement policy, giving our suppliers—especially SMEs—a way to resolve disputes without the cost and complications of going to court.

We require all potential suppliers to abide by the International Labour Organization’s (ILO) fundamental conventions. Consequently, any company that wishes to do business with us must uphold the right to freedom of association and collective bargaining, and must be committed to eliminating discrimination in respect of employment and occupation, as well as forced and child labour.
Eco-friendly procurement

At SNCF, we’re determined to shrink our environmental footprint. That’s why environmental criteria permeate our entire procurement process; it’s why we’re constantly fine-tuning the products and services we buy, and why we prefer to work with environmentally conscious suppliers.

We’ve also introduced a special environmental risk management programme for works contracts. We expect our contractors to make certain contractually binding commitments. For low-risk works, we ask them to sign a “Going Green” charter. But where the risks are higher, we require them to implement a full-fledged Environmental Management System.

Socially responsible procurement

We’ve more than doubled the volume of products and services we purchase from the sheltered sector in the past decade, from €7m in 2007 to €16m in 2017. And we’ve set ourselves a new goal—to double that figure again by 2020 as we continue to work hand-in-hand with our sheltered-sector partners Réseau Gesat, UNEA and HANDECO Pas@pas.

Key indicators

<table>
<thead>
<tr>
<th>Share of businesses with a high degree of CSR maturity in our supplier base (EcoVadis rating: 65+/100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
</tr>
<tr>
<td>12%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Share of tenders including qualifying sustainability criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
</tr>
<tr>
<td>41%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value of products and services purchased from the sheltered sector (in millions of euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
</tr>
<tr>
<td>13.5</td>
</tr>
</tbody>
</table>
We engage with our stakeholders at every level of our business, seeking to address the local issues that matter most to them. Our many partnerships are a constant source of new ideas and are vital to our efforts to promote new, more sustainable solutions. We're also involved in reshaping the regulatory environment, both here in France and across Europe.
### ACADEMIA
- Aix-Marseille University (AMU)—SNCF Logistics Chair; École Polytechnique—Energy and Prosperity Chair; Mines ParisTech—Innovative Design Theory and Practice Chair; Centrale Supelec & IRT SystemX—Anthropolis Chair
- RECORD research association (waste, contaminated land and soil)—member since 2013
- Innovasol non-profit partnership (contaminated land and soil)—founding member

### CHARITIES & NON-PROFITS
- France Nature Environnement—partner since 2008; Nicolas Hulot Foundation for Nature and Mankind—partner since 2012; French Bird Protection League (LPO)—partner
- Transparency International France—partner
- Orée (biodiversity, circular economy and business-community links)—active member
- Comité 21—member
- ORSE (French CSR observatory)—member
- Airparif (air quality monitoring organization)—member (SNCF Logistics)
- Interprofessional Technical Centre for Studies on Air Pollution (CITEPA)—member
- Centre-Ville en Mouvement (elected officials’ organization campaigning for city-centre regeneration)—partner

### BUSINESS & INSTITUTIONAL NETWORKS
- The Shift Project (carbon transition think tank)—founding member
- UIC Core Group Environment—contributor
- Sustainable, Low Carbon Transport (SLOCAT)—member
- Port of Dunkirk—three-year partnership agreement
- Laboratoire de la Mobilité Inclusive—contributor (Keolis)

### INSTITUTIONAL PARTNERS
- European Union—permanent representation in Brussels
- French National Assembly and Senate—representation
- Major French elected officials’ associations (ARF, ADF, AMF, France Urbaine, Villes de France, APVF)—partnerships
- Community of European Railway and Infrastructure Companies (CER), International Union of Railways (UIC), French Public and Rail Transport Union (UTP), International Association of Public Transport (UITP)—member
Materiality assessment

In 2017, we invited our internal and external stakeholders to share their views about the issues that matter most to them, as part of our drive to reinvigorate our stakeholder dialogue process.

The resulting materiality assessment will help us reshape our Group-wide social engagement policy.

Survey methodology

We invited all our employees and around 25,000 external stakeholders to tell us which CSR issues they thought were most important for SNCF Group, and to rate our performance in each area. We used the 8,000-plus replies we received to compile our CSR materiality matrix.

The questionnaire was inspired by the findings of a preliminary quantitative survey, recommendations from employee and user representative focus groups, and prominent CSR frameworks such as ISO 26000, the UN Global Compact and Sustainable Development Goals, and the Global Reporting Initiative.

Key findings

Sustainable, inclusive mobility was one of the top priorities for our external stakeholders, who said we could do more to deliver affordable, physically accessible, door-to-door services across France.

Quality of life, health, natural resource preservation, biodiversity conservation and permanent stakeholder dialogue were among the key issues raised by our internal stakeholders.
SNCF engagements

We signed the first Environmental Charter for Public Entities almost 20 years ago. Now, two decades on, we’ve made sustainability and CSR an integral part of what we do.

In 2017, we made a major change as we embedded the idea of “engagement” even deeper into our strategy and operations.

Our ambitious roadmap

Through our corporate social engagement strategy, we’re reshaping our organization from top to bottom, doing business responsibly, and setting the gold standard on sustainable mobility. The strategy revolves around 4 challenges and 12 commitments, cutting across all our stakeholders—customers, employees and communities—and the environment in which we operate.

OUR CORPORATE SOCIAL ENGAGEMENT STRATEGY: 4 CHALLENGES, 12 COMMITMENTS

PROVIDE SUSTAINABLE MOBILITY FOR PASSENGERS AND FREIGHT

- Keep passengers and goods safe
- Increase customer satisfaction
- Expand door-to-door mobility
- Promote new eco-friendly mobility solutions

SHRINK OUR ENVIRONMENTAL FOOTPRINT

- Take action on climate change and energy transition
- Control environmental risks
- Build the circular economy

PUT PEOPLE FIRST

- Take care of our people: health, safety, community and quality of life in the workplace
- Help our people grow
- Shape the future together

BRING COMMUNITIES TOGETHER AND PROMOTE REGIONAL GROWTH

- Help people in hardship
- Grow the local economy

VALUES AND PRINCIPLES

- Be an innovative business
- Champion sustainability
- Uphold ethical standards
SNCF Group and its subsidiaries work hard every day to deliver safe, reliable and accessible mobility for all. By tracking stakeholders’ changing needs, SNCF is steadily improving its quality of service and contributing to the emergence of eco-friendly, sustainable transport solutions.
COMMITMENT 1:
KEEP PASSENGERS AND FREIGHT SAFE

Safety is critical to passenger and freight mobility—and our top priority—so we worked hard throughout the year to keep our facilities reliable, curb anti-social behaviour and combat delinquency. Our safety policy is the heart and soul of our business, and all of our subsidiaries are actively engaged in meeting this essential customer requirement.

KEY CONCEPTS: OPERATIONAL SAFETY, PREVENTING DELINQUENCY AND ANTI-SOCIAL BEHAVIOUR, SECURITY

WHAT OUR STAKEHOLDERS THINK

Importance for our stakeholders: +++

Our performance: +++

Safety is not just fundamental to our business, it’s the single most important concern for all of our stakeholders. It’s also one of SNCF’s major strengths, acknowledged by stakeholders both inside and outside the company.
Operational safety

PRISME: strengthening our safety culture

We are continuing our drive to improve safety under Prisme, a group-wide programme dedicated to excellence that was launched in 2015. Designed to spur employee engagement and enhance our collective safety culture, Prisme focuses on raising the bar and making SNCF a standard-setter around the world. It addresses the overall safety policy for all three EPICs in the years ahead, framing this as six commitments:

- P (Proactive): make every employee more proactive.
- R (Risks): set up a risk analysis system;
- I (Interfaces): manage interfaces between Group entities at all levels and for exchanges with all parties;
- S (Simplification): simplify procedures and documentation;
- M (Management): create a managerial environment that encourages everyone to get involved;
- E (Equipment): secure state-of-the-art tools and equipment.

SNCF has also organized many safety events for the general public, especially visits to schools.

SNCF Réseau safety policy

We are deeply committed to ensuring maximum safety of people and traffic on France’s rail network. To do this, we have defined and spearheaded network safety policies that meet three core requirements:

- Optimize infrastructure at network design, modernization and operating levels to ensure that rail companies can operate their trains safely;
- Provide rail transport operators with accurate, targeted guides and other information on using our infrastructure, to use directly or incorporate into their own safety procedures and the transport services they provide;
- Keep users, employees, third parties, freight and the environment safe by defining procedures and methods. We apply these to our own operations, to outside suppliers, and to the acquisition and use of rolling stock and other equipment.

Traffic and passenger safety is our number one value and the top performance goal we set for our industrial and service businesses.

To deliver on this promise, we’ve launched programmes to boost our safety culture—both internal and external—at SNCF, Keolis and GEODIS.
Achievements

Fair & Balanced initiative

We launched our Fair & Balanced initiative after noticing that many employees hesitated to admit that they had committed a safety violation. Yet without this information, management can’t take action to prevent new violations.

As a result, in 2017, over 3,000 managers underwent training to understand the organizational and human factors involved in managing safety risks, with some completing a special module on taking a fair and balanced approach to violations. We want to enable employees to speak openly, to take action, and to grow together. To do so, we’re equipping managers with a five-step approach that includes methods and tools to help them make the right decision for every situation and prevent the same violation from happening again. These five steps are:

- Gathering facts and investigating the cause of the violation;
- Identifying how a given behaviour or action failed to comply with safety guidelines;
- Determining whether a violation is acceptable or unacceptable;
- Taking necessary corrective action for individuals, the team and the system as a whole;
- Following up with everyone involved.

Network compliance

Network compliance is an SNCF priority alongside targeted safety and accessibility upgrades. Works completed in 2017 were in line with 2016, and we invested €120 million in safety during the year, up €27 million from 2016. Main outlays went to eliminating level crossings or making them safer, removing or modifying pedestrian platform crossings, installing fencing to make rail properties more secure, making our infrastructure and rail tunnels safer, and installing intermittent automatic train protection systems. In 2017, SNCF Réseau removed five level crossings listed in the French national rail safety plan and 11 pedestrian platform crossings.
Voyageur et Citoyen programme

SNCF is profoundly and directly engaged with the communities it serves. And because we do business in so many different regions and have contact with so many different people, our corporate responsibility extends well beyond our role as a transport provider. Which is why we’ve spent over 20 years raising safety awareness among young people, to reduce accident risks and limit antisocial behaviour and acts of vandalism in the rail system. We’ve also launched outreach initiatives for young people as part of our Voyageur et Citoyen educational programme to prevent accidents and encourage good behaviour in train stations, aboard trains and near railway tracks. In 2017, SNCF employees connected with nearly 228,500 young people by volunteering to speak in schools through a partnership with the French Ministry of Education.

<table>
<thead>
<tr>
<th>Key indicator</th>
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<tbody>
<tr>
<td>Number of Notable Safety Events (NSE) Group-wide</td>
</tr>
<tr>
<td>Target 2015 2016 2017</td>
</tr>
<tr>
<td>10% reduction from 2016</td>
</tr>
<tr>
<td>308 242 225</td>
</tr>
</tbody>
</table>

In 2017 our Prisme programme paid off, with 30% fewer Notable Safety Events (NSE) in railway operational safety over the past two years.

Preventing incivility and delinquency, and enhancing security

As the threat of terrorist attacks continued in 2017, SNCF security teams worked hard to boost operational efficiency and continued to focus on professional skills and innovation.
SNCF security policy

We have 2,800 employees trained in passenger and freight safety and prevention operating nationwide. Our teams work with the French police, gendarmerie, customs and the public prosecutor’s office every day. Since 2016, SNCF security personnel have been authorized to search passenger luggage and conduct pat-down inspections. They can also deny boarding or station access to any passenger who refuses an inspection, and as sworn employees, they can submit written statements to transport police to report violations. In 2017, our teams carried out more than 1,500 civil and armed missions.

Preventing incivility and promoting mediation

We are committed to combatting all forms of anti-social behaviour, from verbal aggression and false alarms to cigarettes on trains or in stations, noise pollution and littering. To this end, we organized six outreach events for SNCF clients in train stations in 2017.

We work closely with established community groups specializing in social mediation, inviting representatives aboard trains and into stations to cultivate better relationships between passengers and users of public areas. These social mediators interact regularly with passengers, stepping in to prevent anti-social behaviour, defuse tense situations and define rules for getting along with others based on dialogue.

Keolis

Keolis Lyon was the first French urban transport network to launch safety audits. Starting in 2015, it assessed how safe or unsafe small groups of women felt on certain routes. These audits helped us communicate better on sexual harassment issues, improve conditions at certain stops and routes, and train staff in assisting victims.

Achievements

Canine back-up

We launched our canine programme nearly two years ago to enhance rail and transport security and fight potential malicious acts. Our canine teams specialize in defending individuals and detecting explosives—skills that lead to improved on-time performance for trains and quicker response time for handling abandoned luggage. By the end of 2018, we plan to have 20 dedicated SNCF canine security teams in the Greater Paris region and 10 more in the rest of France.

Key indicators

Assaults on staff and passengers rose in 2017, reflecting a steep increase in violent theft in the Paris suburbs. There was also a very sharp increase in vandalism/antisocial behaviour, but this was partly due to better reporting, greater awareness, and increased intervention by SNCF security personnel.
COMMITMENT 2:
INCREASE CUSTOMER SATISFACTION

In 2017, we experienced operational disruptions that caused major inconvenience for many passengers. At SNCF, we take such incidents very seriously and are more committed than ever to continuous improvement. Our H00 programme focuses on delivering better on-time performance (timetable scheduling, on-the-dot departure), while our First initiative is designed to improve delivery of real-time information to passengers. But we are also aware that customer satisfaction depends on offering attractive fares and easier access to stations and trains.

WHAT OUR STAKEHOLDERS THINK

Importance for our stakeholders: +++

Our performance: +

Stakeholders consider customer service very important and set the bar particularly high for “inclusive mobility”, including fares for all budgets and improved physical access for all. We see this as an opportunity to leverage innovation to improve both passenger and freight service.

KEY CONCEPTS: SERVICE QUALITY, PUNCTUALITY, CLIENT INFORMATION, ACCESSIBILITY
ON-TIME PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>TER</td>
<td>90.2</td>
<td>90.5</td>
</tr>
<tr>
<td>TGV</td>
<td>89.7</td>
<td>88.7</td>
</tr>
<tr>
<td>Transilien</td>
<td>89.5</td>
<td>88.4</td>
</tr>
<tr>
<td>INTERCITÉS</td>
<td>87.9</td>
<td>87.0</td>
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</table>

Although on-time performance is down overall, TER regional service has improved due to the launch of our “CAP TER” plan.

Client information

All passengers need assistance from time to time—to find their way around, consult timetables, buy a ticket, or access information during disruptions to service. Which is why we worked with our subsidiaries to create First, a programme that gives clients accurate, detailed and consistent information in real time and across all channels. For greater transparency, we publish daily data on train performance for commuter rail in Greater Paris, Intercités classic trains, TER regional service and TGV high-speed rail, and include the cause of delays.

Human interaction is still important to many passengers, especially those less familiar with digital technology and the internet, which is why we make a point of having teams on hand in our stations. This is particularly critical at peak periods when holiday departures or engineering works make for large crowds, or when operational issues or severe weather disrupt service. In such cases, volunteers are on hand to assist our permanent teams in over 500 stations, helping inform and guide passengers to their destination.

H00 programme: punctuality performance

In 2017, we launched H00, a programme designed to deliver better on-time performance. Our goal is for 90% of all trains to arrive on schedule—on the dot—by the end of 2018, up from 78% today. This involves a series of simple but wide-reaching changes applied across the board, from short daily briefings to sending managers—410 at present—across different functions to gain a better overview of the business and explain to their teams how operations are best structured. We’ve launched H00 in pilot mode at 37 sites, and are currently monitoring the on-time performance of 370 trains. And we plan to continue throughout 2018 to ensure that the H00 culture takes hold.
Achievements

SNCF app

Our SNCF app has now been downloaded 8 million times and gets 27 million visits a month. It centralizes passenger information for all SNCF trains nationwide, and generates multimodal itineraries—bus, metro, tram, regional coaches and more—all in one place. At present, the app’s real-time timetables, itinerary searches and traffic info on SNCF and RATP lines are its most popular features. Interaction with users has paid off, leading Intercités to develop a feature that identifies unreserved seats on board trains.

Compensation for delays—if we’re late, we’ll pay up

Since 1 December 2016, we’ve offered a new online service for TGV, Ouigo and Intercités passengers who have experienced a delay. Travellers qualify for compensation after 30 minutes’ delay, no matter what the cause. The refund exceeds European standards and varies depending on the time of arrival. In 2017, 1.5 million passengers received compensation under this programme.

Making trains more comfortable

People choose trains over other means of transport because they’re more comfortable. In 2017, we added 19 new Intercités trainsets for Paris-Belfort followed by an additional 15 for the Nantes-Bordeaux and Nantes-Lyon routes. These include a full low floor that makes boarding easier, especially for people with limited mobility. New first and second-class coaches are equipped with power outlets, and in first class the tray table has a special slot for smartphones. SNCF’s high-speed offering is also being revolutionized with our new TGV inOUI service, introduced with the launch of TGV Océane and TGV Ouest service to western and southwestern France. Trains offer customized options, greater comfort and all forward-facing seats in first class. By the end of 2018, 40% of all TGVs will be inOUs. On-board WiFi is now available for 80% of TGV passengers, and 253 stations offer free and unlimited WiFi.

GEODIS customer satisfaction

In 2017, GEODIS conducted a worldwide customer satisfaction survey for the fourth year running. Ratings remain high, with 84% of our clients responding favourably. GEODIS also scored well in Corporate Social Responsibility, operational service quality, and customer relations, with ratings ranging from 86 to 88%.

Our new OUI.sncf website

Seventeen years after it first saw the light of day, voyages-sncf.com is now OUI.sncf, offering new services for 14 million unique monthly visitors. Our goal is to become the first port of call for travellers in France, bringing all SNCF services under one roof and offering our clients their choice of no less than 33 million itineraries. Our new site lets users get out in front of the crowd with Low Fare Alerts, 24/7 customer service and OUI bot, a chatbot located directly on the homepage.
Keeping fares affordable

At SNCF, we continue to offer new services and low fares that make trains more accessible.

New fare options

TGV passengers can now choose from two distinct but complementary options:

- Ouigo is our low-fare offer. Our goal is to grow Ouigo traffic five-fold by 2020, when it will account for 25% of total high-speed traffic, serving 30 destinations across France.
- Our TGV service is becoming TGVinOUI, a premium offer with three benefits to be rolled out by 2020: on-board WiFi with new content and services; conductors with more time to assist passengers thanks to platform-side ticket barriers and new customer relations tools; and new and renovated trainsets.

Achievements

Budget offers in the spotlight

In 2017, low-fare Loisir ticket volumes rose 17%, driven by the introduction of a TGVMAX, a new €79 monthly pass for 16-to-27-year-olds offering unlimited travel on TGVs and Intercités, and by the expansion of our popular Ouigo budget offer. Ouibus also continued to expand its network, consolidating its position as the leader in long-distance coach transport on the domestic market. Today Ouibus serves 180 destinations in France and the rest of Europe, with fares as low as €9.

<table>
<thead>
<tr>
<th>Key indicator</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of total high-speed tickets in France sold at low Loisir fares (GPF)</td>
<td>NA</td>
<td>37.6%</td>
<td>39%</td>
</tr>
</tbody>
</table>

Contents
Making rail accessible for all passengers

In keeping with French legislation adopted in 2005 to ensure equal rights and opportunities for the disabled, SNCF’s goal is to make sure all passengers, including the most vulnerable, have access to all stations and trains.

Teaming up with associations for the disabled

At SNCF, we work closely with national NGOs to address the needs of people with disabilities. In 2016, a new protocol for cooperation with nine partner associations, including seniors, gave passengers a louder voice. And in 2017, we organized nine meetings on accessibility, some fifteen tests on rolling stock, special amenities and applications, and three meetings with the Advisory Council for Persons with Disabilities chaired by SNCF’s Company Secretary.

Achievements

In-station and on-platform accessibility

In 2017, we made passenger building perimeters accessible for people with limited mobility at 132 of the 160 train stops managed directly by SNCF. This was extended to platform areas at 50 stops, giving users access from forecourt to trains.

Accès Plus, Accès TER and Accès Plus Transilien Services

At 358 stations across France, our Accès Plus teams welcome passengers on arrival and escort them to their seat aboard trains. These services gained in popularity in 2017, with over 650,000 requests for assistance from disabled clients or passengers with limited mobility—up 20% from 2016. We also saw a sharp increase in international requests, serving over 10,000 travellers.

Keolis wants to make getting around simple for everyone, every day. To do so, it has partnered with Handéo to develop training that raises employee awareness of the challenges faced by people with limited mobility and builds the skills they need to step up and help. The programme’s Cap’ Handéo mobility service certification was launched at the end of 2016.

Key indicators

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of stations offering accessibility services for persons with limited mobility (Accès Plus, Accès TER, Transilien Accès Plus)—GPF</td>
<td>894</td>
<td>903</td>
<td>1,045</td>
</tr>
<tr>
<td>Number of French stations accessible from forecourt to train (of the 160 included in France’s national accessibility programme (SDNA))</td>
<td>35</td>
<td>44</td>
<td>50</td>
</tr>
<tr>
<td>Number of stations in Greater Paris accessible from forecourt to train (of the 209 included in France’s regional accessibility programme (SDRA))</td>
<td>67</td>
<td>79</td>
<td>97</td>
</tr>
</tbody>
</table>
COMMITMENT 3: EXPAND DOOR-TO-DOOR MOBILITY

In response to new demands, primarily from regional authorities, for the transport of passengers and freight, SNCF Group is positioning rail as part of a multi-modal transport chain that delivers simple, seamless mobility—and is a viable alternative to cars and trucks.

WHAT OUR STAKEHOLDERS THINK

Importance for our stakeholders: +

Our performance: +

Although most stakeholders don’t view door-to-door mobility as a major priority, they still expect us to offer a wider range of mobility solutions in the regions we serve.

KEY CONCEPTS: MULTIMODAL MOBILITY FOR PASSENGERS, FOR FREIGHT
For passengers

“To grow our rail business, we have to offer more than rail” is a phrase that sums up our passenger transport strategy.

Our SNCF app offers a wide range of innovative digital solutions to meet clients’ growing and increasingly diverse demands.

iDVROOM

iDVROOM is a ride-sharing platform that connects passengers and drivers for occasional or regular travel nationwide. In 2017, business continued to flourish, attracting over 600,000 active members and forging partnerships with mobility giants in the motorway, public transport, business, community, and automotive sectors, including French carmaker Renault. iDVROOM wants to help companies that offer ride-sharing services to employees under Workplace Transport or Mobility Plans change their employees’ everyday lives by making commutes less stressful, less expensive, and less time-consuming.

OuiCar

OuiCar, the peer-to-peer car rental service available from Keolis, has grown to over 1.2 million members, offering 30,000 cars to rent, more than 16,000 transactions/month and excellent customer satisfaction ratings.

Achievements

Le Cab

In 2016, Keolis became a partner and shareholder of LeCab, a company supplying chauffeur-driven cars, in a move that enhanced its ability to provide customized transport solutions. Since early 2017, Le Cab has partnered with start-up Via to provide an on-demand ride-sharing service in Paris, using Via’s technology to create a real-time optimized network with fares as low as €5.

Student passes

In 2017, we offered student passes valid throughout France for any mobility solution students might need—rail, ride-sharing, urban transport and bike-sharing—which has proved very effective in encouraging them to opt for rail travel. Passengers use their transport ID card or smartphone to...
access public or shared transport (from chauffeur-driven cars to car- or bike-shares) and receive a bill for services consumed. Respondents were enthusiastic in our customer survey: 85% were satisfied, and 81% plan to renew in 2018, a sign that the pass is a good fit for students.

Bicycles

We’re expanding bicycle parking near stations where relevant and to complement existing services. The SNCF app identifies available bikes in 30 cities offering bike-sharing services, and by 2020, 89 stations—83% of the total—will be equipped with Secure Bike Shelters. In 2017, we offered over 13,000 secure bicycle parking spots as well as quality bicycle rentals for occasional users, in tandem with France Vélo Tourisme and the French “Accueil Vélo” brand. Now passengers can reserve a spot for their bike on the TGV when they buy their ticket online.

For freight

SNCF now offers low environmental impact multimodal freight transport solutions to meet clients’ needs.

Multimodal freight solutions

SNCF Logistics leverages all its freight transport and logistics expertise to offer multimodal door-to-door supply chain solutions. These combine rail, maritime and air transport for international shipments, as well as combined road-rail transport and rail motorway options. For deliveries in city centres, green urban logistics services help transport and logistics operators meet environmental challenges such as pollution, noise and traffic.
Rail delivers low-carbon transport, making trains a key to the energy transition. At SNCF, we are guiding all of our customers—individuals and businesses alike—toward a comprehensive and sustainable mobility ecosystem based on a diversified transport offer that starts with rail and reduces environmental impact.

**KEY CONCEPTS:** LOW-CARBON TRANSPORT, SUSTAINABLE MOBILITY, MULTIMODAL FREIGHT SERVICES

**WHAT OUR STAKEHOLDERS THINK**

**Importance for our stakeholders:** ++

**Our performance:** +++

Because our core business is inherently sustainable, we have a responsibility to help clients become more responsible mobility users. And we do this by developing a green transport ecosystem that rounds out rail services—an innovative approach valued by our partners.
For passengers

SNCF actively promotes new transport options such as car-sharing, ride-sharing and using low-carbon transport modes.

From iDVROOM to bike-sharing, we are dedicated to promoting low-environmental impact transport solutions to our clients.

Clear information on train CO₂e emissions

Under French regulations, SNCF and our subsidiaries inform all clients—passengers and transport/logistics operators—of the greenhouse gas emissions associated with their journey. Figures are presented clearly and transparently, including all real GHG emissions related to energy consumed, using the methodology developed by the French Observatory for Energy and Environment in Transport.

We provide this CO₂e data for passengers on all our sales channels and travel planning sites: OUI.sncf, TGV, INTERCITÉS, Transilien and TER. Sometimes figures include a comparison of train transport with other transport types.

In 2017, for every kilometre travelled, trains emitted:

- 5.4 g CO₂e on Transilien trains (commuter rail in Greater Paris)
- 2.4 g CO₂e on TGVs (high-speed rail)
- 29.4 g CO₂e on TERs (regional rail)
- 8.1 g CO₂e on INTERCITÉS (classic rail)

We base our CO₂e calculations on these figures, which we update yearly and make available to all clients at our itinerary-specific CO₂ footprint calculator: https://www.sncf.com/fr/itineraire-reservation/itineraire

Achievements

The Climate Train

In 2017, Jean Jouzel’s Climate Train project became a reality. This joint initiative between SNCF, a group of scientists called “the Climate Messengers”, and the non-profit association Météo et Climat was designed to raise public awareness of climate issues. The train spent the month of March on display in Paris-Austerlitz station and December in Paris-Est station.
Keolis self-driving shuttles

Along with traditional transport (bus, tram, metro, etc.), Keolis offers a high-performance, eco-friendly, safe and innovative last-mile delivery service for urban areas with its self-driving shuttles. These 100% electric driverless vehicles can transport up to 15 passengers and are perfect for first- or last-mile transport solutions in diverse environments. Keolis partnered with industry leader Navya to design and roll out its self-driving shuttle service.

For freight

SNCF Group and our subsidiaries work hard every day to offer customized and eco-friendly multimodal freight transport services—down to the last kilometre.

Offering low-emission transport plans

We’ve made freight transport more energy efficient by shipping higher volume loads and optimizing transport. And since GEODIS’s truck fleet is equipped with cutting-edge technology, we can accurately track actual consumption per journey, per driver and per vehicle.

SNCF Logistics offers transport plans tailored to each client’s specific operations, while reducing external impacts (greenhouse gas emissions, local pollution, air quality, traffic, etc.). We also combine transport modes to customize lower-impact solutions for specific types of freight, geographic areas and delivery times.

In 2011, GEODIS began offering last-mile delivery solutions in downtown areas of megacities to address commercial, economic and environmental challenges posed by urban logistics (pollution, noise, traffic).

Key indicator

<table>
<thead>
<tr>
<th>Tonnes of CO₂e avoided thanks to rail motorways ('000) - O</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td></td>
<td>70</td>
<td>71</td>
<td>84</td>
</tr>
</tbody>
</table>

In 2017, rail motorways helped us reduce CO₂ emissions by nearly 84,000 tonnes, while transporting 17% more goods than in 2016. Growth stems from rising traffic on two new rail motorway lines—one linking Boulou to the port of Calais, the other connecting Noisy-le-Sec to the port of Sète.
At SNCF, we are keenly aware of our role as a public mobility company, which is why we’ve worked for nearly 20 years to reduce our environmental impact. We combat climate change by committing to an ambitious carbon policy and anticipating extreme weather events. We also make it a priority to preserve resources, support the circular economy, and protect the nature around our infrastructure.
COMMITMENT 5: TAKE ACTION ON CLIMATE CHANGE AND THE ENERGY TRANSITION

In France and around the globe, the transport sector must reconcile the world’s mobility needs with the urgent need to drastically reduce greenhouse gas emissions—a challenge by any measure.

KEY CONCEPTS: ENERGY EFFICIENCY, TRACKING, TRAINS AND BUILDINGS, CLIMATE, ADAPTING TO CLIMATE CHANGE

WHAT OUR STAKEHOLDERS THINK

Importance for our stakeholders: ++

Our performance: +++

Combating climate change is a chief concern for our stakeholders, and one they see as an opportunity to revolutionize energy production and recovery. SNCF’s commitment in this area is acknowledged both inside and outside the company.
Energy efficiency

Energy—creating value for SNCF Group

In 2016, we adopted a new energy policy called “Our energy: creating value for SNCF Group”. This applies to our entire business as well as to our subsidiaries and is built on four key strategies:

- Boost economic performance (streamline purchasing, manage economic risks in volatile markets, save energy by reducing overall consumption);
- Get involved in the energy transition (reduce carbon emissions and make our energy mix greener by buying green, producing renewable energy for SNCF-owned land and buildings, converting assets that consume thermal energy to hybrid, etc.);
- Become an influencer in the energy sector, to deliver solutions for the company and the general public;
- Be innovative and seize new business opportunities (Hybrid TER, stationary hydrogen fuel cells).

With annual consumption at over 16.9 TWh, energy efficiency is vital for SNCF, from both an economic and an ecological standpoint.

We’re rolling out an ambitious plan to improve energy performance for all of our entities’ infrastructure, heavy equipment and buildings.
Electric power

At SNCF, 80% of our energy consumption is for passenger and freight transport. To improve energy performance and reduce our environmental impact, in 2014 we launched our “Traction Energy Reduction” programme, built around two major components:

- Creating a comprehensive system to track energy consumption by trains;
- Developing projects to reduce energy consumption.

To date, 451 power cars are equipped with electrical energy meters, and we’ve invested €70 million to install them in all permanent fleets by 2022. Alongside these industrial upgrades, we’re carrying out a massive Information Systems initiative to collect and utilize consumption data. Based on new big data technologies, energy transition pilots can analyse rail energy consumption and identify scope for savings.

Fossil fuels

We have equipped our thermal-powered fleet with a system that uses RFID chips to accurately measure the distribution of diesel fuel, which also makes invoicing fuel for Group service stations more reliable. As a result, businesses that opted to equip their fleets with RFID chips can now better track and manage their monthly consumption.

Buildings

SNCF Immobilier’s energy transition policy focuses on two main areas:

- Using quality assurance to optimize management of our 25,000 utility supply contracts (water, natural gas, electricity, etc.)
- Factoring in the energy transition when planning engineering works.

Our goal is to improve the energy performance of the properties owned by SNCF Immobilier by 20% from 2015 to 2025. SNCF Immobilier’s portfolio has an estimated 25,000 buildings, representing 8.5 million sqm of industrial and tertiary space, with an estimated 20,000 hectares of land and 3,000 locations.

Achievements

Opti-conduite

Opti-conduite is an interface built into the on-board driving system that tells drivers the speed at which they can optimize energy consumption and still arrive on time. An algorithm updates this information in real time. Opti-conduite is already used by 96% of our 1,500 TGV drivers. We plan to gradually deploy it in our other businesses as well, especially on our Intercités lines, where it has been tested successfully. In four years, the initiative led to a solution representing 8% in potential energy savings, along with improved safety, equipment reliability and punctuality.
Energy efficiency in Transilien stations

We make eco-friendly features part and parcel of our station designs in Greater Paris, from natural light and renewable energy to wood boilers, enhanced passenger comfort and LED lighting. Natural lighting is a particular focus of studies nearing completion for the following stations:

- Sevran Livry: an air-cushion roof made with ETFE (thermoplastic fluoropolymer);
- Sevran Beaudottes: a glass floor carrying natural light down into the station;
- Tram 11 Express stations: glass roofs with built-in photovoltaic cells.

At SNCF, we encourage the use of biosourced materials including high-density exterior thermal insulation fibreboard at our Etréchy station and ultra-low density interior thermal insulation fibreboard at Viroflay-Rive Droite. Several designs are in the running for new Grand Paris Express stations, and for the renovation of insulation at existing stations.

Key indicators

Rail traction energy consumption (in thousands of TOE) — GPF K O

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>857</td>
<td>858</td>
<td>866.5</td>
</tr>
</tbody>
</table>

2017 figures include Ouigo consumption, which accounts for half of the increase from 2016. 451 power cars are equipped with electrical energy meters.

Trucks: service fleet fuel consumption (in thousands of TOE) — GPF K G O

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>319</td>
<td>407</td>
<td>353</td>
</tr>
</tbody>
</table>

The rise observed in 2016 reflects double counting of diesel at Keolis. STVA left the reporting scope in 2017 (17 TOE in 2016).

Building energy consumption (in thousands of TOE) — GPF K G O

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>199</td>
<td>247</td>
<td>242.4</td>
</tr>
</tbody>
</table>

Contents
Climate and reducing greenhouse gas emissions

At SNCF, our new goal is to improve CO\textsubscript{2}e performance by 25% from 2015 to 2025.

Reducing GHG emissions

We have also committed to help the rail industry meet International Union of Railways targets that call for reductions in greenhouse gas emissions of 50% from 1990 to 2030 and 75% by 2050.

Achievements

Science-Based Targets with WWF France

The Science Based Targets initiative is working to develop an industry-wide methodology that will help companies set goals for reducing GHG emissions to meet the Paris Agreement targets. At SNCF we are now on board, with support from WWF in our efforts to:

- Determine whether our current goals are compatible with the Science Based Targets initiative’s approach; and
- If necessary, calculate a target and align our actions and commitments with the Paris Agreement’s “well below 2°C” climate goal.

In 2018, we will lay the groundwork for bringing our goals into line with Paris Agreement targets, using our 2017 greenhouse gas emissions report as a benchmark.
Green bonds and carbon assessments

At the World Efficiency Solutions summit on 13 December in Paris, we organized a session on assessing the carbon footprint of transport infrastructures. Aim: make the transport sector’s carbon assessments more transparent to channel more funding into projects that reduce emissions.

Since 2016, SNCF Réseau has funded a portion of its engineering works with green bonds to combat climate change and protect biodiversity. And to measure its carbon footprint more accurately, SNCF Réseau has partnered with consultants at Carbone 4 to calculate the carbon impact of each project. This entails analysing the full project life cycle and including both emissions produced during construction and emissions avoided by using rail transport over a 40-year period. Based on this methodology, projects funded by green bonds in 2017 kept nearly 5.9 million tonnes of CO₂ equivalent from being emitted over 40 years—equal to the carbon footprint of 12,000 French people over the same period. SNCF Réseau used the proceeds of two bond issues in 2017 to invest €1.75 billion in strategic priorities that included network upgrades and renovation.

Zen 2050

We actively support the Zéro Émission Nette (ZEN) 2050 research led by Entreprises pour l’Environnement, a network of environmental companies. The challenge is to define steps each industry should take to become carbon neutral by 2050, in line with the goal announced by Nicolas Hulot, France’s Minister for the Ecological and Inclusive Transition. Results will be presented in mid-2018 along with guidance on strategies and investment priorities for each sector.

Key indicators

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂ e emissions per passenger-kilometre (in g/pass.km)</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>8.0</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>7.6</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>7.2</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>6.0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂ e emissions per tonne-kilometre (in g/tonne.km)</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>6.4</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>6.2*</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>4.8</td>
<td></td>
</tr>
</tbody>
</table>

Our improved performance reflects a 10% increase in TGV passenger numbers and a 5-point rise in TGV occupancy rates. In addition, SNCF Voyages started using a new and more accurate system to calculate passenger kilometres. Green driving and parking practices also boosted our energy performance.

*2017 figures reflect diesel purchases made outside centralized procurement circuits. At 2016 scope of consolidation, CO₂ emissions per tonne-kilometre stood at 5.9.

90% of volumes transported by Fret SNCF were towed by electric locomotives.
Adapting to climate change

At SNCF, we are already introducing changes to enable the rail system to cope with the impacts of climate change in 2050 and 2100, building on what we know of the useful life of our rolling stock and infrastructure.

Readying the rail system

Intense and frequent bouts of extreme weather take a toll on our rolling stock, equipment and infrastructure, and we’re already seeing the impact. These events have changed train circulation and could also affect our finances, service quality and customer satisfaction. Projections by climate experts indicate that severe weather is set to intensify, which will require changes to our rail infrastructure (tracks, electrical installations and equipment, bridges and other structures). Keolis, which operates in countries already experiencing climate change-related issues, is learning from its experiences and rolling out emergency management procedures.

In 2016, we launched two studies on climate and energy. The first, led by SNCF Réseau, relates to national climate change indicators; the purpose of the second, focused on Transilien, is to identify how climate change will impact rail operations and clients and to recommend changes that can be made.

Achievements

In-depth vulnerability assessment

In 2016 and 2017, SNCF Réseau conducted detailed vulnerability analyses to reduce our exposure to flooding. This involved taking inventory of the network’s key technical components to identify and map at-risk sites and facilities located outside official flood zones.

In 2018, we will be developing Business Continuity Plans for all of France.

Research

Key indicator

| Percentage of train delays due to bad weather out of all causes due to infrastructure management (by minutes) - SNCF Réseau |
|-----------------|-----------------|-----------------|
| 2015            | 2016            | 2017            |
| 11.9            | 12.54           | 13.81           |
COMMITMENT 6: CONTROLLING OUR ENVIRONMENTAL IMPACT

We work hard to reduce our environmental footprint in every aspect of our business, using every tool available to us—environmental management, risk management, resource optimization.

**KEY CONCEPTS:** EMS, PROTECTING BIODIVERSITY, ENVIRONMENTAL PERFORMANCE

**WHAT OUR STAKEHOLDERS THINK**

**Importance for our stakeholders:** +++

**Our performance:** +++

Stakeholders expect SNCF to care about the environment. And we deliver: we’re recognized for environmental protection, and especially protecting soil, reducing CO₂ emissions, managing waste, controlling energy consumption and protecting biodiversity.
We’ve deployed a comprehensive environmental management system to help reduce the impact of our business and anticipate risks more effectively.

Environmental management

Environmental Management Systems (EMS)

Our EMS are based on an internal directive that defines the missions and responsibilities of the various entities within SNCF Group. This structure strengthens the ties between risk management—including environmental risks—and rail safety under our Prisme programme. In 2016 and 2017, we began a wide-reaching effort to break our general guidelines down into more specific supporting standards to define a set of shared rules for both environmental stakeholders and our managers.

At each facility (or assimilated entity), we’ve rolled out Environmental Management Systems (EMS) tailored to each business unit and region. For industrial sites, the business line requires ISO 14001 certification.

For SNCF, environmental management involves:

- Managing compliance of Facilities Classified for Environmental Protection (ICPE);
- Sorting and improving the sorting of hazardous and non-hazardous waste at operational work sites;
- Training personnel to respond effectively in an emergency, as well as in general work situations;
- Managing water consumption;
- Reducing noise pollution;
- Preserving/saving resources.

A core element of these management systems is verifying compliance, using a revamped strategic regulatory monitoring mechanism. GPF and Keolis use the same IT app to check that our sites are compliant and track efforts to make them compliant.

Certifying our environmental initiatives

Keolis Group’s environmental programme has been ISO 14001 certified since 2014 and included 17 of the Group’s subsidiaries in 2017. Certification has created momentum around six commitments:

- Comply with regulatory requirements and other contractual and voluntary commitments made to stakeholders;
- Protect the environment by reducing the environmental footprint of our business and preventing pollution;
- Actively commit to continuous improvement;
- Improve our energy efficiency;
- Increase our waste recovery rate;
- Control our water consumption.

In 2017, over 21,600 employees—35.5% of total staff at Keolis Group—worked in an ISO 14001 certified company.
Deploying EMS in our operational entities

We’ve rolled out Environmental Management Systems in all entities where risk is present. This includes ISO 14001 certification for rolling stock maintenance and industrial technicentres and infrastructure-related industrial facilities; ISO 14001 certification or equivalent (BREEAM in use) for major rail stations; and adapting EMS for other entities that the business lines have identified as presenting scope for risk.

To assess the maturity of each EMS, SNCF has launched an experimental audit system backed by the business lines.

Achievements

Assessing our environmental performance

We’ve created and deployed a self-assessment tool that rates each business unit on relevant environmental challenges on a five-point scale. In 2017, internal EMS were in place at 100% of our facilities for maintenance, works, freight and Optim’Services (tertiary site management and maintenance), and at healthcare centres, while 57% of our traffic facilities and 18.5% of our major stations were certified.

Training

To support rollouts in progress, we introduced training for the supervisors and teams in charge of installing and monitoring EMS in operational units. And in 2017, 499 employees from all 3 EPICs took part in around 50 training courses on environmental issues ranging from the principles of environmental law, waste, hazardous goods, environmental audits (for ISO 14001) and Facilities Classified for Environmental Protection (ICPE).

---

**Key indicators**

<table>
<thead>
<tr>
<th>Percentage of entities/industrial sites with an ISO-14001 certified EMS—GPF</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>95%</td>
<td>98%*</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

*Of which 32% certified under the 2015 version. Since 2016, industrial facilities have experienced mergers and/or changes in scope of consolidation. One facility is currently going through the certification process due to such a change. 37.5% of very large stations are either ISO 14001 or BREEAM-in-Use certified.

<table>
<thead>
<tr>
<th>Number of certified subsidiaries—KGO</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>411</td>
<td>463</td>
<td>475</td>
<td></td>
</tr>
</tbody>
</table>
Managing industrial risks

To control environmental risks related to our industrial operations, we’ve rolled out targeted policies and plans, adapted by each EPIC and subsidiary to its own needs.

Reducing water pollution

Our goal is to reduce our impact on water resources throughout the entire life of our sites and projects.

To achieve this, we’ve set four major objectives:

- Improve our knowledge and stewardship of water resources and structures;
- Reduce water collection and consumption by using water sparingly and by fighting waste;
- Limit harmful emissions by improving oversight of our industrial operations and reducing water pollution;
- Protect underground and surface aquatic environments, as well as related ecosystems, by reducing the impact of existing rail infrastructure.

Reducing air pollution

Rail helps combat air pollution in cities by reducing road traffic—a major source of gas and particle emissions. But rail transport must also shrink its own footprint, especially in underground rail spaces where particulate levels are often higher than in the air outside, with a different composition (including fine metal particles, and particularly iron).

We’ve started measuring air quality in 25 underground or mixed Transilien rail spaces, and are continuously monitoring two stations in Paris—Magenta (RER E) and Saint Michel (RER C)². Analyses reveal a wide range of results, with a common denominator: increased traffic contributes to particulate surges in all cases. We’re currently considering ways to decrease particulate rates, including on-going work on electric braking, improved ventilation, and more.

Controlling noise pollution

We’re working on how to make our clients, employees and nearby residents and businesses more comfortable by limiting and reducing noise from our infrastructures, rolling stock, fixed installations and processes (track work sites, etc.). SNCF Réseau is also deploying a nationwide policy led by the French State and its partners to map out and reduce rail noise at the most critical sites—"noise black spots". Some 500,000 people may be impacted, with one-third of our tracks now classified as noisy. We’ve invested a substantial €140 million in this area since 2008.

Ermewa, a subsidiary of SNCF Logistics, wants to make all of its wagons silent by equipping them with composite K or LL brake blocks by 2022. It filed a grant application with the Connecting Europe Facility—Transports MIE-T and has received co-financing for the project.

² Data is available on Airparif’s website, or on Transilien’s website. Since early 2017, visit: www.transilien.com/fr/page-editoriale/mesurer-la-qualite-de-lair-interieur
Protecting biodiversity

As our rail system is so vast, we interact directly with ecosystems in many different locations.

Our concern for biodiversity focuses not only on the rail system as a whole, but on individual stations, maintenance facilities and tertiary sites.

Controlling vegetation

At SNCF, we’ve developed a practical policy to limit the use of pesticides and protect surrounding biodiversity. Following the European Union’s decision to authorize the sale of glyphosate for only five years, SNCF has been working to develop alternatives that include placing weed-barrier landscape fabric under tracks and promoting eco-grazing nearby. An “innovation marathon” for internal and external participants came up with new ideas such as laser and UV technologies, selective seeding and even robots. Today pesticides are no longer used on any of the lines serving Greater Paris, and we’re rolling out this policy nationwide.

Key indicators

<table>
<thead>
<tr>
<th>Amount of plant products purchased (tonnes) — GPF</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>114</td>
<td>83</td>
<td>67.2</td>
</tr>
</tbody>
</table>

SNCF Réseau accounts for less than 0.2% of total pesticide use in France.

<table>
<thead>
<tr>
<th>Percentage of freight rolling stock with low driving noise (composite brake blocks) — GPF</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.3%</td>
<td>12.8%</td>
<td>14.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentage of passenger rolling stock with low driving noise (composite brake blocks) — GPF</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>81.1%</td>
<td>81.8%</td>
<td>82/9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Site water consumption (in millions of m³) — GPF</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5.6</td>
<td>6.2</td>
<td>7.75</td>
</tr>
</tbody>
</table>
COMMITMENT 7: BUILD THE CIRCULAR ECONOMY

The circular economy movement is gaining traction as people come to realize that our planet’s resources are finite. At SNCF, we are acting on stakeholder demands by extending the life cycle of our equipment, embracing eco-design principles, and sorting, re-using and recycling more of our waste.

KEY CONCEPTS: NEW STRATEGY, LIFE CYCLE, RESOURCE PRESERVATION, RECYCLING

WHAT OUR STAKEHOLDERS THINK

Importance to stakeholders: +++

Group performance: ++

All of our stakeholders agree that SNCF is committed to managing resources sustainably, but many believe we could be clearer about what we are doing on this front, and on the circular economy in particular.
Rethinking our approach to the circular economy

Our circular economy strategy, which we launched in 2013 and updated in 2017, covers waste from both our front-line operations—infrastructure and rolling stock—and from Group-wide service activities using paper, textiles, and electrical and electronic equipment.

Our 2017-2020 strategy

The new 2017-2020 strategy builds on the foundations of our 2013-2017 policy, as we look to boost environmental performance throughout the rail project life cycle and reduce our impact on the planet. Going forward, our emphasis will be on embracing eco-design principles across all our products, systems and projects.

We already use established channels to recycle materials like ballast, waste electrical and electronic equipment (WEEE) and construction waste. We are also working to re-use more of the waste we generate, both internally (such as components of dismantled tracks) and externally (WEEE), and to extend our product life cycle—for example, by selling end-of-life products for recycling or parts. And we are continuing to explore ground-breaking ways to sell on our unwanted materials, for instance through framework agreements or at auction.

Another priority will be to work more closely with industry partners, local businesses and local authorities to find additional outlets for our waste and help develop new technical solutions.

The circular economy at SNCF Réseau

At SNCF Réseau, we are determined to recover and recycle more of the ballast, rails, sleepers and other waste we produce when we relay or maintain our tracks. Our aim is to see waste not as a problem we have to manage, but as a resource we can harness—and to deploy the corresponding processes at scale. That’s why we’re developing new ways to recycle and re-use our waste, making sure we can trace all materials that enter our yards, and building an innovative, responsible business model. And as France’s second-largest property owner, we routinely sign agreements with other organizations so our disused tracks can be put to good use—for instance, as tourist train lines or walking and cycling trails.
**Achievements**

**Dismantling and recycling Transilien trains**

In 2016, we awarded a five-year contract to break up 250 electric multiple units (EMUs) as part of our broader strategy to dismantle obsolete Transilien rolling stock—trains once used on commuter lines in the Greater Paris region. The move was intended to help us meet our legal and environmental obligations, prevent vandalism, and reduce the amount of rolling stock parked on sidings pending break-up. To date, 157 EMUs have been dismantled.

**Recycling workwear**

In 2016, we worked with fellow members of environmental non-profit organization Orée to win government support for a workwear recycling initiative known as FRIVEP3. And in 2017, clients, industry partners and the two ministries backing the programme—the Ministry of the Ecological and Inclusive Transition, and the Ministry for the Economy, Industry and Digital Affairs—began building a consortium to run a 13-month pilot, which is set to launch in 2018.

**Installing separate waste collection bins in stations**

Our major stations produce as much waste as a town of 30,000 people. Recognizing that we could recycle more of this waste by sorting it at source, our Gares & Connexions branch is rolling out separate waste collection bins across all stations in France and is working with SNCF Voyages to trial new, more efficient ways to collect waste paper on board our trains.

**A new eco-design policy for SNCF Réseau**

At SNCF, we recognize that it makes good business sense to design our equipment, projects and procurement processes responsibly. In 2017, we launched a major new eco-design policy at SNCF Réseau, spanning products, systems and processes, to boost environmental performance throughout the rail project life cycle and reduce our impact on the planet. We drew up an initial list of around 30 eco-design projects across France and will be tracking performance and adding more initiatives to the list in the coming years.

Life-cycle assessments show that 70-97% of the environmental impacts of rolling stock occur in the 40-year period that our trains are in service. That’s why we are already working hard to make our trains more energy-efficient, use fewer replacement parts, and use more recycled materials in the manufacturing process.

---

**Key indicators**

<table>
<thead>
<tr>
<th>Total volume of hazardous waste produced (in thousands of tonnes)—GPF</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>80</td>
<td>103</td>
<td>84.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>End-of-life materials sold (in millions of euros)—GPF</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2020 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>66.1</td>
<td>59.7</td>
<td>75</td>
<td>80*</td>
</tr>
</tbody>
</table>

*€55 million in sales and €25 million in cost savings through re-use.

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* Re-use/Recycling of Workwear Scheme (in French: Filière Recyclage/Réemploi Industrielle des Vêtements Professionnels)
At SNCF, we understand that growing our people is vital to growing our business. That’s why we’re determined to support our 270,000 employees—keeping them safe and healthy, engaging with labour relations partners, providing training opportunities, and making SNCF a better place to work.
COMMITMENT 8: TAKE CARE OF OUR PEOPLE: HEALTH, SAFETY, COMMUNITY AND QUALITY OF LIFE IN THE WORKPLACE

Keeping our people safe and healthy is the number-one priority at SNCF Group and its subsidiaries, guiding the work we do each and every day. We want to build a strong sense of community by championing diversity and making SNCF a better place to work for everyone.

KEY CONCEPTS: HEALTH & SAFETY, QUALITY OF LIFE, COMMUNITY, DIVERSITY

WHAT OUR STAKEHOLDERS THINK

Importance to stakeholders: +++

Group performance: +++ (safety) / + (quality of life for customers/local residents/employees)

At SNCF, our people rate safety at work their top priority. Our employees appreciate what we are doing on safety but believe we could do more to improve quality of life at the workplace.
Keeping our people safe

We are absolutely committed to keeping our people safe at all times, by reinforcing a strong safety culture, reducing occupational hazards, and working towards our zero-injury goal.

Safety Excellence programme

Our Safety Excellence programme is a comprehensive, Group-wide effort to embed a health and safety culture across all our operations and to reduce both the frequency and seriousness of workplace accidents.

In 2017, we targeted some of the key risks that our people face as we stepped up our efforts to cut the number of serious accidents at work and achieve our zero-fatality target. We also forged a closer partnership with France’s Interministerial Delegation for Road Safety to tackle road-traffic accidents—the leading cause of death-on-duty among SNCF employees.

To achieve our second goal—cutting the frequency of accidents by 10%—we continued exploring ways to prevent physical attacks and slips, trips and falls, which together account for more than half of all accidents across the Group. By 2020, we aim to have 50% fewer accidents than in 2015.

Safety at Keolis

At Keolis, keeping our employees and subcontractors safe is one of our top priorities. We start by asking our people to look out for their own safety—and the safety of others—to stop accidents happening. Under Group policy, risks must be identified and assessed, and we require everyone to follow risk-mitigation procedures at all times. A zero-accident approach guides what we do day in, day out, at every level of our organization.
Our life-saving rules

Our life-saving rules are designed to keep employees out of harm’s way by reducing the frequency and seriousness of accidents in the workplace. They were drawn up with input from operators, managers and experts to take account of the hazards that our people face daily in the course of their work. And they apply to everyone across the organization, without exception, because we believe that safety should be second nature. There are five universal rules, plus others geared towards specific occupational hazards.

In January 2018, we added these life-saving rules to our audit processes, and we make sure everyone who enters our premises is aware of them, including visitors and subcontractors.

Achievements

Safety Train

Between 15 May and 15 June 2017, our Safety Train embarked on a 21-stop tour to raise awareness of the importance of health and safety GPF. In total, more than 15,000 employees took part in exercises and interactive workshops and attended presentations about occupational hazards.

Road Safety Innovation Marathon

On 17-18 January 2017, we organized an Innovation Marathon where we encouraged people working in field positions to brainstorm and come up with new ways to improve road safety—an issue that affects them directly.

Key indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace accident severity rate (per 1,000 person-hours) – GPF K G O</td>
<td>1.37</td>
<td>1.45</td>
<td>1.57</td>
</tr>
<tr>
<td>Rate of workplace accidents with time lost due to injury, excluding travel (per 1,000,000 person-hours)—GPF K G O</td>
<td>26.11</td>
<td>23.56</td>
<td>23.62</td>
</tr>
<tr>
<td>Number of reported occupational illnesses—GPF K G O</td>
<td>450</td>
<td>445</td>
<td>445</td>
</tr>
</tbody>
</table>
Making SNCF a better place to work

Our Feel Better at Work Programme, launched in July 2012, covers everything we do at SNCF to improve quality of life in the workplace.

The programme outlines the eight factors that make an organization a good place to work. It continues to inform all aspects of HR policy across SNCF Group today.

Observatory for Quality of Life in the Workplace

In 2009, we set up the Observatory for Quality of Life in the Workplace (Observer et Agir pour la QVT) to give stakeholders across the board a chance to discuss and debate quality-of-life issues and trial new initiatives. The Observatory is also tasked with putting our Feel Better at Work Programme into action. In 2016, the working groups tabled a series of recommendations in two areas: “digital technologies and quality of life at work” and “absenteeism and presenteeism”. And in 2017, we circulated guidance to all managers based on the Observatory’s absenteeism and presenteeism recommendations.

Investors in People

At GEODIS, we launched our “Ambition 2018” corporate plan back in 2013 with a specific aim in mind: to achieve Investors in People (IIP) accreditation across all aspects of the business. IIP is an independent, international accreditation body. The standard is a respected management and HR benchmark awarded to organizations that lead, support and manage people well to deliver sustainable results. We secured accreditation for our Freight Forwarding operations and our headquarters in France in 2014, and for most of our Contract Logistics business in 2015. Our Road Transport and Supply Chain Optimization operations became IIP-accredited in 2016.

Striking the right work-life balance

At Eurostar, we’ve introduced a family-friendly 35-hour working week, with working-time agreements for all our locations and occupations, to help our people strike the right balance between work and family life.

Achievements

Working closer to home

In 2014, we introduced ground-breaking dual-location working arrangements for employees at some stations in Greater Paris, allowing them to spend a day or two each week working in special-purpose offices at a station closer to home.

Key indicator

<table>
<thead>
<tr>
<th>Sickness absence rate—GPF K G O (France)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5.2%</td>
<td>5.5%</td>
<td>5.65%</td>
</tr>
</tbody>
</table>
Building a sense of community and managing our workforce

As a public service group, we are duty-bound to act with impartiality, secularity and neutrality in everything we do. Our aim is to build a real sense of community at SNCF Group.

Our proactive anti-discrimination and gender equality policy helps to ensure everyone is treated fairly.

Anti-discrimination policy

Our anti-discrimination policy has three key aims:

- To eradicate bias across our recruitment, training, career management and other HR processes;
- To make sure we comply with the law—stopping discrimination from happening, and acting when it does;
- To ensure everyone is treated equally and enjoys the same opportunities at work.

Long-term employment opportunities for young people

Back in 2012, we launched our Emplois d’Avenir job-creation programme to offer work experience—and the prospect of permanent employment—to young people aged 18-25 from disadvantaged backgrounds. By end-2017, we had awarded 750 contracts under the scheme, and hired 340 young people permanently.

We have also teamed up with the French Army to run a Voluntary Military Service programme where recruits spend 6-12 months serving in an army unit. The scheme is designed to give young people with few or no qualifications a chance to gain vital work experience and build social skills. In 2017, we hosted 19 trainees and hired 16 of them at the end of the programme. And we will be taking on a fresh cohort in 2018, for the third year running.
Gender equality

At SNCF, we champion gender equality at work. Over the years, we have signed a host of collective bargaining agreements with trade unions on gender equality matters. And we have France’s biggest corporate women’s network, SNCF au Féminin, which is open to all Group employees—including men. The network runs outreach and personal development activities to promote diversity and empower women in the workplace.

Achievements

GEEIS certification at GEODIS

At GEODIS, we continued fighting for gender equality and diversity in 2017, bringing the total number of countries where we are Gender Equality—European & International Standard (GEEIS) certified to nine at year-end. Members of the three executive boards also signed a brand-new diversity charter.

Hantrain project

Hantrain is an 18-month combined work-study course for people with disabilities, where trainees learn the ropes of various roles within our organization, such as customer sales or infrastructure, electricity or works maintenance operators. Those who pass the course are hired on completion. Since 2012, some 198 people have joined the scheme and 102 have secured a position with us at the end of their studies. We will be taking on around 30 new trainees each year between 2018 and 2021.

Throughout European Disability Employment Week, representatives of our corporate HR division attended local and national recruitment fairs such as the Challenge du Monde des Grandes Écoles et Universités, Paris pour l’Emploi, and the ADAPT forum in Paris.
COMMITMENT 9: HELP OUR PEOPLE GROW

The world around us is changing. Digital technologies are invading our everyday lives. Jobs are going global, and competition between modes of transport is heating up. At SNCF Group and its subsidiaries, we recognize that our people need help to cope with the changing face of work. That’s why we make sure employees get the training they need to build flexible, meaningful careers, thrive at work and drive our business forward.

WHAT OUR STAKEHOLDERS THINK

Importance to stakeholders: +++

Group performance: +++

Our internal stakeholders are particularly attached to gaining new skills, and our people—especially highly skilled employees—appreciate our efforts on this front.

KEY CONCEPTS: TRAINING FOR ALL, CAREER MOBILITY, SUPPORT
Developing our people’s skills

With 150 different roles to choose from, we provide the training and internal mobility opportunities our people need to build meaningful careers with us.

Lifelong learning and career support

The nature of work at SNCF is changing, due in no small part to the rise of digital technologies. And since some of the jobs our people do today will be unrecognizable by 2025, the way we train our employees needs to change, too. That’s why we have embarked on a talent management drive—to get our people ready for what the future holds. In 2017, 80% of SNCF Group employees attended at least one training session—adding up to more than 6.8 million hours of training across the year.

Keolis incubator programme—Pépinières

At Keolis, our Incubator programme trains promising young managers across all areas of our business, from operations and marketing to rail and maintenance. We have launched a new, one-year “security and fraud” track to teach participants about the practicalities of transport operations.

Young participants also spend a block of time working in our subsidiaries to learn more about what the company and our employees do. We enrolled 30 new participants in the programme in 2017.

New job board

In January 2017, we unveiled a Group-wide job board to streamline our recruitment process, support employee mobility, and ease staff transfers between the three EPICs and our subsidiaries.

Digital talent repository

In 2018, we will begin developing a digital talent repository to support mobility and careers within the Group. The repository will give us an overview of the talent at our disposal and help us identify where employees could make a sideways move into other business lines.
Achievements

Mobility Initiative Centres (MICs)

Our MICs offer tailored support to people facing redundancy, helping them find alternative employment within the same EPIC or in another part of our business. More than 65% of the approximately 4,000 employees who used the service in 2017 got the help they needed to retrain, and half of those found a lasting solution—such as post-restructuring redeployment, career change or mobility, or voluntary redundancy.

Key indicators

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of hours of training delivered—GPF K G O</td>
<td>7,700</td>
<td>7,569</td>
<td>8,630</td>
</tr>
<tr>
<td>Number of combined work-study contracts—GPF</td>
<td>4,328</td>
<td>7,179</td>
<td>7,200</td>
</tr>
<tr>
<td>Number of employees moving between EPICs—GPF</td>
<td>NA*</td>
<td>2,347</td>
<td>2,038</td>
</tr>
</tbody>
</table>

GPF hosts work-study trainees on a vast range of programmes, from vocational qualifications through to master’s-level courses.

In 2017, we took on 7,200 people in work-study roles and permanently hired 1,043 former work-study trainees.

Doing our bit for charity

Number of employees volunteering their time and expertise for charity since 2014 (cumulative, GPF)

Under an SNCF Foundation-led scheme, employees can volunteer their time and expertise for a good cause—an initiative that the Executive Board, in a meeting dedicated to sustainable development, has called “a driver of Group performance, cohesion and appeal”. In total, 2,055 employees have given something back in the past five years.
At SNCF, we believe that meaningful labour relations and responsible management are vital to employee engagement. That’s why we embrace open dialogue with our people and their representatives—so we can build a climate of trust.

**Key Concepts:** Labour Relations, Change Management

**What Our Stakeholders Think**

*Importance to stakeholders:* ++

*Group performance:* +

Our stakeholders think we’ve got it right on labour relations, but would like to have a bigger say on the Group’s future direction. They believe that a vision shaped with broad input—and with a strong emphasis on CSR—would help drive engagement.
Listening to our people and managing change

We are determined to create an environment where people can thrive, by engaging openly with our employees and helping them build meaningful careers.

Talking to our partners

Because we recognize the importance of healthy labour relations, we asked our union partners to help us put together a joint programme of action. This spans issues such as telecommuting, digital technologies and labour relations, and the use of electronic voting in upcoming staff representative elections.

In 2018, government reforms will be at the top of the agenda in the wake of the Spinetta report on the future of rail in France. We will also begin talks with the new single representative body that will take office on 1 January 2019 after the November 2018 staff representative elections. And later in the year, our focus will turn to talks on the Group-wide strategic workforce and competency planning framework.

Managing responsibly

In 2014, we set up a new Manager Support Agency—part of the SNCF EPIC HR division—to help managers gain the soft skills they need to build effective relationships with their employees and teams and drive change within our organization. In 2017, the agency delivered training to 1,564 SNCF managers, following on from the 1,210 we trained in 2016. One of the courses, entitled “Dimensions of Management”, introduces fledgling managers to the basics of their role. A similar scheme is available in Morocco, where the training also covers managing cultural diversity in the workplace.

Intrapreneur programme

Our six-month intrapreneur programme gives participants a chance to take an idea and run with it, starting with a proof of concept before deploying their initiative at scale. Nine women and three proposals were selected for the programme’s first cohort, jointly sponsored by SNCF Développement and our corporate women’s network, SNCF au Féminin.
Achievements

New agreements signed in 2017

It was a busy year on the labour relations front, as we signed four agreements with our union partners.

- On 17 March 2017, we signed a new Group-wide day-based working-time agreement. This explains, for employees in each category, how many days they work each year, how much additional rest time or pay-in-lieu they receive, and how we go about monitoring their workload;
- In 7 July 2017, we signed a telecommuting agreement that lets SNCF Group employees spend three full days or half-days each month working from home, for example. Employees can choose when to take these days, provided they give their manager sufficient notice and as long as their presence is not required on site;
- On 18 September 2017, we signed an agreement introducing electronic voting in the upcoming staff representative elections;
- On 17 November 2017, we signed an agreement on the use of modern communication technologies for unions and central and local works councils across the Group.
At SNCF, we have longstanding connections with the regions where we operate. We routinely work with local businesses and organizations, and help people in hardship, to promote regional growth and bring communities together.
COMMITMENT 11: HELP PEOPLE IN HARDSHIP

We witness first-hand the hardship that many people in our society face. We support charities, public bodies and private organizations that work to bring communities together, while our Foundation’s far-reaching social and cultural programmes make a real impact on people’s lives—all because our employees are determined to give something back.

KEY CONCEPTS: JOBS AND COMMUNITIES, SOCIAL INCLUSION, PHILANTHROPY AND FOUNDATION

WHAT OUR STAKEHOLDERS THINK

Importance to stakeholders: +

Group performance: +

Our external stakeholders believe that fighting social inequality is good for our business, arguing that showing what we do on this front gives us a competitive edge when preparing tender submissions. But our internal stakeholders find that devoting time to good causes can harm their productivity at work.
Creating jobs and bringing communities together

In 2017, we continued working to fight social exclusion and help the long-term unemployed get back into work.

PIMMS public service hotspots

PIMMS (Points d’Information et de Médiation Multi Services) are places where local residents can use public services and get help and support with their everyday affairs. The centres, operated jointly by local authorities and major services companies, are typically found in communities where people would otherwise struggle to access these services. They also act as a career springboard for the trained SNCF mediators who staff them. SNCF and Keolis operate 57 and 37 PIMMS centres respectively.

Back-to-work programmes at Keolis

At Keolis, we run programmes to help people from all walks of life find a route back into work—no matter what their age, experience, employment status, nationality or disability. Creating job opportunities for the over-50s and career-changers is a big part of what we do, partnering with organizations such as France’s national and specialist disability job centre networks and local branches, regional career-change support centres, the French Ministry of Defence, and the National Police.

Achievements

Partnership with the national Chantier Ecole network

At SNCF Group, we have been helping to create employment and social inclusion opportunities for the long-term unemployed since 2008. We work with Chantier Ecole, a national network of specialist back-to-work programmes accredited by the French Ministry of Labour, to employ jobseekers in roles such as grounds-keeping and landscaping, repairing and painting buildings, and collecting and sorting waste. As well as providing a route back into work, these programmes help to keep our premises clean and tidy for customers, employees and local residents.

Key indicator

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of people on back-to-work programmes—GPF</td>
<td>1,178</td>
<td>1,217</td>
<td>1,257</td>
</tr>
</tbody>
</table>
Fighting social exclusion

and assisting people on the margins of society is a vital part of the work we do across our organization.

Helping the homeless

Homeless people often seek shelter in our stations. That’s why, in 2008, we became one of the founding signatories to the European Charter for Development of Social Initiatives in Stations, placing us at the forefront of European thinking on this issue. Volunteers from our partner outreach charities check up on homeless people at our stations throughout France. And our station staff are trained to spot, report and monitor vagrancy, in some cases using special log books. In Paris, we have appointed two outreach officers to liaise with authorities and charities, and eight of our employees are seconded to Samu Social de Paris—an emergency response charity working in the city—as mobile assistance team drivers. We also support day shelters near the capital’s seven biggest stations and we have worked with the French government to set up other emergency shelters across the country.

In Lille and Toulouse, we work with two charities—ABEJ and La Cité de la Madeleine—that provide shelter for homeless people to spend the night when our stations close. And we also partner with Abri de la Providence, a charity that runs an emergency shelter near Angers Saint-Laud station in western France.

Deterring crime

In 2011, we signed a nationwide partnership agreement with the French Ministry of Justice and Freedoms to prevent crime, tackle repeat offending and help steer people away from a life of criminality. Instead of being sent to prison, adult and juvenile offenders serve restorative or community sentences with us—repairing damage in our stations, filing archives or cleaning outdoor areas—or attend citizenship classes. This agreement was renewed in 2016.

We are a partner in the 2017-2018 Tour de France des Travaux d’Intérêt Général, a nationwide tour to promote non-custodial community sentences by changing mindsets and removing administrative barriers.

Key indicator

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of people participating in our community service programme—GPF</td>
<td>252</td>
<td>170</td>
<td>152</td>
</tr>
</tbody>
</table>
Making a difference through our Foundation

Through our SNCF Foundation, we’ve been helping people in hardship and bringing communities together for 22 years.

The SNCF Foundation

The SNCF Foundation is chaired by Patrick Jeantet, Deputy Chairman of SNCF’s Executive Board and Chairman & CEO of SNCF Réseau. Our work covers three areas: education, culture and community outreach. We are able to make a difference because our people are determined to give something back, because we have close ties with local communities, and because we work in partnership with charities and other businesses.

Achievements

Education

At the SNCF Foundation, we champion basic skills, science and technology education programmes. In 2017, our “Learning to Grow” contest saw funding awarded to 140 projects, and we entered into nationwide partnerships with Voisin Malin and WeTechCare, two social enterprises working to bridge the digital divide.

Culture

Cultural inclusion is the main thrust of our work in this area. In 2017, we partnered with eight new projects, including a youth training programme at the Opéra-Comique, community performing arts workshops at the Théâtre National de Chaillot—both in Paris—and Sculptures en l’Île, a sculpture exhibition in Andresy in the capital’s north-western suburbs.

Community outreach

In 2017, we launched our “Working Together and Embracing Difference” contest for community outreach and citizenship projects, awarding funding to 387 organizations across 129 different initiatives.

Employee engagement

Funding projects and initiatives is a vital part of our work, but that’s not all we do. In 2017, 561 employees gave their time and expertise for a good cause, and a further 371 projects received support from our Coups de Coeur Solidaires programme.

Key indicator

<table>
<thead>
<tr>
<th>Number of charities supported (across all programmes)</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>960</td>
<td>984</td>
<td>1,119</td>
</tr>
</tbody>
</table>

Contestants on stage for the Prix de la Fondation SNCF awards—December 2017
COMMITMENT 12: GROW THE LOCAL ECONOMY

At SNCF, we aim to forge lasting trading partnerships with our suppliers, sourcing responsibly and building trust with the SMEs that do business with us. And we work closely with businesses and organizations in historic rail strongholds to foster innovation and breathe new life into the local economy.

WHAT OUR STAKEHOLDERS THINK

Importance to stakeholders: +

Group performance: +

Our stakeholders believe we have a duty to promote regional growth by bringing mobility to isolated communities, engaging with local businesses and organizations, and sourcing responsibly.

KEY CONCEPTS: LOCAL SOURCING AND LOCAL JOBS, SME-FRIENDLY PURCHASING POLICY, POST-INDUSTRIAL REGENERATION
In 2017, we changed how we calculate the figures to make our data more robust. In reality, purchasing from SMEs was on par with 2016.

Purchasing from SMEs as a percentage of total purchasing—GPF

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing from SMEs</td>
<td>23%</td>
<td>22.6%</td>
<td>18%</td>
</tr>
</tbody>
</table>

At SNCF, we play our part in helping local economies thrive by sourcing from SMEs wherever possible.

Our SME-friendly purchasing policy

Companies meeting the EU definition of SMEs make up 13,000 of our 20,000-strong supplier list—or 65% of our vendors—and we purchased €1.5 billion in goods and services from these businesses in 2017.

Our SME-friendly purchasing policy outlines our six key commitments:

- We announce the areas, supplies and services that might be of interest to SNCF, and make it easy for SMEs to contact us;
- We source responsibly and our purchasing strategies are designed with SMEs in mind;
- We keep our rules and procedures as straightforward as possible;
- We encourage innovation;
- We do business responsibly with our suppliers;
- We help SMEs grow into mid-sized firms.

Achievements

A one-stop shop for SMEs

Our Group Purchasing Division has set up a special email address (ContactPME@sncf.fr) for SMEs to submit unsolicited proposals and find out who, in our organization, might be interested in buying their products or services.
Innovate to regenerate

As part of our work to support regions and communities, we help to spur economic regeneration in France’s historic rail strongholds.

<table>
<thead>
<tr>
<th>Key indicators</th>
<th>2011-2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurs receiving a grant or loan</td>
<td>194</td>
<td>14</td>
</tr>
<tr>
<td>SNCF employees receiving funding to start their own business</td>
<td>127</td>
<td>23</td>
</tr>
<tr>
<td>Entrepreneurs receiving non-financial support</td>
<td>218</td>
<td>59</td>
</tr>
</tbody>
</table>

At SNCF Développement, we supported 539 entrepreneurs and awarded €9.8 million in grants and loans between 2011 and 2016, helping to create upward of 1,400 permanent jobs. And in 2017, a further 96 entrepreneurs received financial support totalling €1 million.

Helping new business thrive

SNCF Développement is our Group subsidiary that works to spur economic growth and entrepreneurship. Our focus is on reviving local economies and communities in three ways—supporting regions, backing new business and championing innovation—under special three-year agreements with the French State and local authorities. Once these agreements come to an end, we continue monitoring the businesses we have funded until the loan is fully repaid.

Achievements

Coworking at Biarritz station

In 2016, our Gares & Connexions branch and SNCF Développement teamed up with La Coopérative des Tiers-Lieux—a local coworking network—to launch a contest for new service, retail and community spaces in stations throughout Nouvelle-Aquitaine, a region in southwest France. Open Gare Biarritz, the region’s very first in-station coworking space, opened in 2017.

Loaves of bread from So Fast So Good in Romilly-sur-Seine—a bakery set up with funding from SNCF Développement
## Challenge 1: Provide sustainable mobility for passengers and freight

### Quantitative Indicators

#### Keep Passengers and Goods Safe

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>II-3°-d) Notable Safety Events</td>
<td>225</td>
<td>242</td>
<td>308</td>
<td>GPF</td>
</tr>
<tr>
<td>II-3°-d) Number of accidents involving trains (or other modes) that resulted in physical injury</td>
<td>8</td>
<td>19</td>
<td>23</td>
<td>GPF O</td>
</tr>
<tr>
<td>II-3°-d) Assaults on customers/SNCF staff and thefts of passenger belongings</td>
<td>11,020</td>
<td>9,505</td>
<td>8,974</td>
<td>GPF O</td>
</tr>
<tr>
<td>II-3°-d) Number of malicious acts against property or other assets</td>
<td>27,239</td>
<td>27,594</td>
<td>28,666</td>
<td>GPF O</td>
</tr>
<tr>
<td>II-3°-d) Anti-social behaviour and violations of law</td>
<td>138,842</td>
<td>110,190</td>
<td>99,580</td>
<td>GPF O</td>
</tr>
</tbody>
</table>

#### Increase Customer Satisfaction

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-3°-b) Percentage of satisfied Transilien customers (normal and disrupted conditions)</td>
<td>66.6%</td>
<td>67.6%</td>
<td>71.0%</td>
<td>GPF</td>
</tr>
<tr>
<td>I-3°-a) Percentage of low-cost Loisirs tickets (TGV, Ouigo)</td>
<td>39%</td>
<td>37.6%</td>
<td>NA</td>
<td>GPF</td>
</tr>
<tr>
<td>II-3°-d) Number of stations with accessibility services for persons with limited mobility (Access +)</td>
<td>1,045</td>
<td>903</td>
<td>894</td>
<td>GPF</td>
</tr>
</tbody>
</table>

#### Expand Door-to-Door Mobility

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-2°-c) Number of bicycle spaces sold on trains requiring reservations</td>
<td>73,389</td>
<td>68,377</td>
<td>60,666</td>
<td>GPF</td>
</tr>
</tbody>
</table>

#### Promote New Eco-Friendly Mobility Solutions

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-2°-d) Tonnes of CO₂e avoided thanks to rail motorways (in thousands)</td>
<td>84</td>
<td>71</td>
<td>70</td>
<td>O</td>
</tr>
</tbody>
</table>

**Key to symbols and abbreviations**

- ✔️ Data verified by statutory auditors with “moderate assurance”
- ✔️ Data verified by statutory auditors with “reasonable assurance”

**SCOPE (column 6 in tables): consolidated entities in 2017:**

- GPF = Groupe Public Ferroviaire (SNCF’s three EPICs, no subsidiaries)
- K = Keolis Group
- G = GEODIS Group
- O = other contributing subsidiaries (See Note on methodology)
# Challenge 2: Shrink our environmental footprint

## ART.225

### TAKE ACTION ON CLIMATE CHANGE AND THE ENERGY TRANSITION

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<tbody>
<tr>
<td></td>
<td>√ √ √ 866.5</td>
<td>858</td>
<td>857</td>
<td>GPF K O</td>
<td></td>
</tr>
<tr>
<td>I-2°-c)</td>
<td>Fuel consumed by road vehicles in commercial fleets (in thousands of TOE)</td>
<td>√ √ 353</td>
<td>407</td>
<td>319 K G O</td>
<td></td>
</tr>
<tr>
<td>I-2°-c)</td>
<td>Energy consumed in buildings (in thousands of TOE)</td>
<td>242.4</td>
<td>247</td>
<td>199 GPF K O</td>
<td></td>
</tr>
<tr>
<td>I-2°-c)</td>
<td>- of which electricity (in thousands of TOE)</td>
<td>114.2</td>
<td>112</td>
<td>89 GPF K G O</td>
<td></td>
</tr>
<tr>
<td>I-2°-c)</td>
<td>- of which gas (in thousands of TOE)</td>
<td>95.4</td>
<td>102.5</td>
<td>59.3 GPF K G O</td>
<td></td>
</tr>
<tr>
<td>I-2°-c)</td>
<td>- of which domestic fuel oil (in thousands of TOE)</td>
<td>11</td>
<td>10.6</td>
<td>10.5 GPF K O</td>
<td></td>
</tr>
<tr>
<td>I-2°-c)</td>
<td>- of which heating networks (in thousands of TOE)</td>
<td>21.8</td>
<td>21.8</td>
<td>19.3 GPF O</td>
<td></td>
</tr>
</tbody>
</table>

| I-2°-d) | Greenhouse gas emissions (CO₂e in thousands of tonnes) | 2,770 | 2,915 | 2,621 GPF K G O |
| I-2°-d) | - of which rail traction (trains, metros and light rail, both conventional and electric, in thousands of tonnes) | √ √ 1,189 | 1,129 | 1,207 GPF K O |
| I-2°-d) | - of which commercial road transport (in thousands of tonnes) | √ √ 1,098 | 1,300 | 1,090 K G O |
| I-2°-d) | - of which buildings (in thousands of tonnes) | 423 | 426 | 324 GPF K G O |

### CONTROL ENVIRONMENTAL RISKS

| I-2°-a) | Percentage of entities/industrial sites with an ISO-14001 certified EMS | 98% | 95% | 100% GPF |
| II-2°-a) | Provisions for environmental risks (in € millions) | 869.3 | 910 | 836 GPF K O |
| I-2°-a) | Number of employees trained in environmental protection | 499 | 419 | 376 GPF |
| I-2°-a) | Number of unresolved ICPE notices at 31 December | 5 | 5 | 9 GPF |
| I-2°-b) | Purchases of plant protection products (in tonnes) | 67.2 | 83 | 114 GPF |
| I-2°-b) | Percentage of low-noise rolling stock for freight rail (composite brake blocks) | √ 14.9% | 12.8% | 8.3% GPF |
| I-2°-b) | Percentage of low-noise rolling stock for passenger rail (composite brake blocks) | √ 82.9% | 81.8% | 81.1% GPF |

### BUILD THE CIRCULAR ECONOMY

| I-2°-b) | Total quantity of hazardous waste produced (in thousands of tonnes) | 86.7 | 103 | 80 GPF K G O |
| I-2°-c) | Total water consumption by facilities (in millions of m3) | 7.75 | 6.2 | 5.6 GPF K G O |
| I-2°-c) | Quantity of resources purchased - wooden sleepers (in thousands of units) | 370.6 | 374 | 360 GPF |
| I-2°-c) | - concrete sleepers (in thousands of units) | 1,530 | 1,500 | 1,340 GPF |
| I-2°-c) | - ferrous metals, such as rail, wheels and axles (in thousands of tonnes) | 176 | 154 | 159 GPF |
| I-2°-c) | - ballast (in thousands of tonnes) | 2,300 | 2,350 | 2,260 GPF |
| I-2°-c) | - copper catenaries (in thousands of tonnes) | 1.8 | 1.7 | 2.1 GPF |
| I-2°-c) | - paper (in thousands of tonnes) | 10.1 | 9.5 | 12.0 GPF |
| I-2°-b) | Reclamation of end-of-life materials (in € millions) | 75 | 59.7 | 66.1 GPF |
## Challenge 3: Put people first

<table>
<thead>
<tr>
<th>ART.225</th>
<th>2017</th>
<th>GPF EXCL. SUBSI. DIARIES</th>
<th>SNCF EPIC INCL. SUBSI. DIARIES</th>
<th>SNCF RESEAU EPIC INCL. SUBSI. DIARIES</th>
<th>SNCF MOBILITES EPIC INCL. SUBSI. DIARIES</th>
<th>2016</th>
<th>2015</th>
<th>SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMPLOYMENT</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I-1°-a) Total number of employees (at 31 December)</td>
<td>270,814</td>
<td>159,689</td>
<td>10,512</td>
<td>58,360</td>
<td>201,942</td>
<td>270,335</td>
<td>259,475</td>
<td>GPF K G O</td>
</tr>
<tr>
<td>I-1°-a) Total number recruited</td>
<td>35,985</td>
<td>11,548</td>
<td>563</td>
<td>3,441</td>
<td>31,981</td>
<td>34,713</td>
<td>29,604</td>
<td>GPF K G O</td>
</tr>
<tr>
<td>- of which CDD (temporary contracts) France</td>
<td>13,332</td>
<td>5,298</td>
<td>124</td>
<td>555</td>
<td>12,653</td>
<td>14,603</td>
<td>12,868</td>
<td>GPF K G O</td>
</tr>
<tr>
<td>- of which CDI (permanent contracts) France</td>
<td>12,191</td>
<td>6,250</td>
<td>439</td>
<td>2,886</td>
<td>8,866</td>
<td>12,498</td>
<td>10,626</td>
<td>GPF K G O</td>
</tr>
<tr>
<td>I-1°-a) Total number dismissed</td>
<td>2,954</td>
<td>639</td>
<td>54</td>
<td>216</td>
<td>2,684</td>
<td>2,490</td>
<td>2,622</td>
<td>GPF K G O</td>
</tr>
<tr>
<td><strong>TYPES OF WORK</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>I-1°-b) Percentage of “on-board” employees</td>
<td>25%</td>
<td>14%</td>
<td>0%</td>
<td>0%</td>
<td>34%</td>
<td>25.3%</td>
<td>26.1%</td>
<td>GPF K G O</td>
</tr>
<tr>
<td>I-1°-b) Percentage of part-time employees</td>
<td>19%</td>
<td>9%</td>
<td>16%</td>
<td>6%</td>
<td>11%</td>
<td>9.8%</td>
<td>10.5%</td>
<td>GPF K G O</td>
</tr>
<tr>
<td><strong>COMPENSATION</strong></td>
<td></td>
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</tr>
<tr>
<td>I-1°-a) Average monthly gross salary (€)</td>
<td>3,172</td>
<td>3,173</td>
<td>GPF</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>I-1°-a) Change in average gross salary</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>2.45%</td>
<td>1.3%</td>
<td>GPF K G O</td>
</tr>
<tr>
<td>I-1°-a) Gender pay gap</td>
<td>5%</td>
<td>5%</td>
<td>NA</td>
<td>GPF</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>TAKE CARE OF OUR PEOPLE: HEALTH, SAFETY, COMMUNITY AND QUALITY OF LIFE IN THE WORKPLACE</strong></td>
<td></td>
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</tr>
<tr>
<td>I-1°-a) Women as a percentage of total workforce</td>
<td>25%</td>
<td>23%</td>
<td>47%</td>
<td>14%</td>
<td>26%</td>
<td>24.2%</td>
<td>23.3%</td>
<td>GPF K G O</td>
</tr>
<tr>
<td>I-1°-a) - in senior/executive management</td>
<td>25%</td>
<td>GPF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I-1°-a) - in management</td>
<td>28%</td>
<td>GPF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>I-1°-a) - in non-mobile operations/supervisory jobs</td>
<td>23%</td>
<td>GPF</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>I-1°-a) - in “on-board”/mobile jobs</td>
<td>13%</td>
<td>GPF</td>
<td></td>
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<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>I-1°-b) Percentage of workers with disabilities</td>
<td>4.44%</td>
<td>4.65%</td>
<td>8.13%</td>
<td>3.60%</td>
<td>4.54%</td>
<td>4.5%</td>
<td>4.4%</td>
<td>GPF K G O in France</td>
</tr>
<tr>
<td>II-1°-g) Number of whistleblower tips received by the Ethics Division</td>
<td>85</td>
<td>71</td>
<td>NA</td>
<td>GPF</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>PREVENTION &amp; EMPLOYEE SAFETY</strong></td>
<td></td>
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</tr>
<tr>
<td>II-1°-b) Rate of absenteeism due to illness</td>
<td>5.65%</td>
<td>5.65%</td>
<td>7.08%</td>
<td>4.23%</td>
<td>6.10%</td>
<td>5.45%</td>
<td>5.22%</td>
<td>GPF K G O in France</td>
</tr>
<tr>
<td>II-1°-c) Severity of workplace accidents (per 1,000 hours worked)</td>
<td>1.57</td>
<td>0.87</td>
<td>1.27</td>
<td>0.45</td>
<td>2.05</td>
<td>1.45</td>
<td>1.37</td>
<td>GPF K G O in France</td>
</tr>
<tr>
<td>II-1°-d) Rate of workplace accidents resulting in missed work, excluding travel (per million hours worked)</td>
<td>23.62</td>
<td>17.48</td>
<td>28.19</td>
<td>10.10</td>
<td>28.92</td>
<td>23.56</td>
<td>26.11</td>
<td>GPF K G O in France</td>
</tr>
<tr>
<td>II-1°-d) Number of work-related illnesses reported</td>
<td>445</td>
<td>333</td>
<td>14</td>
<td>147</td>
<td>284</td>
<td>445</td>
<td>450</td>
<td>GPF K G O in France</td>
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<tr>
<td><strong>HELP OUR PEOPLE GROW</strong></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>I-1°-e) Total hours of training (in thousands)</td>
<td>6,630</td>
<td>6,845</td>
<td>390</td>
<td>2,718</td>
<td>5,523</td>
<td>7,569</td>
<td>7,700</td>
<td>GPF K G O</td>
</tr>
</tbody>
</table>
Challenge 4: Bring communities together and promote regional growth

<table>
<thead>
<tr>
<th>ART.225</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-1°-a)</td>
<td>TOTAL WORKFORCE BY AGE GROUP</td>
<td>GPF</td>
<td>K</td>
<td>O</td>
</tr>
<tr>
<td>Under age 25</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Ages 26-30</td>
<td>11%</td>
<td>11%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Ages 31-35</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Ages 36-40</td>
<td>15%</td>
<td>14%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Ages 41-45</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Ages 46-50</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Ages 51-55</td>
<td>12%</td>
<td>13%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Over age 55</td>
<td>12%</td>
<td>12%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Total workforce (number of employees)</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>I-1°-a)</td>
<td>TOTAL WORKFORCE BY REGION</td>
<td>GPF</td>
<td>K</td>
<td>O</td>
</tr>
<tr>
<td>France</td>
<td>217,131</td>
<td>220,147</td>
<td>221,351</td>
<td></td>
</tr>
<tr>
<td>Europe (outside France)</td>
<td>25,413</td>
<td>24,378</td>
<td>23,137</td>
<td></td>
</tr>
<tr>
<td>Outside Europe</td>
<td>28,270</td>
<td>25,810</td>
<td>14,987</td>
<td></td>
</tr>
<tr>
<td>Subtotal outside France</td>
<td>53,683</td>
<td>50,188</td>
<td>38,124</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>270,814</td>
<td>270,335</td>
<td>259,475</td>
<td></td>
</tr>
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</table>

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## COMPARATIVE TABLE

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<th>GRI 4</th>
<th>ISO 26 000</th>
<th>Global Compact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>a) Employment</td>
<td>Indicators—p. 83</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Goal 5.5        Goal 10.2</td>
<td></td>
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<tr>
<td></td>
<td>b) Workplace</td>
<td>Indicators—p. 83</td>
<td>LA 6</td>
<td>6.4.3</td>
<td>#3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Goal 3.4        Goal 8.8</td>
<td>10</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>c) Social interaction</td>
<td>Indicators—p. 83</td>
<td>15</td>
<td>6.4.5</td>
<td>#3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Goal 8.8</td>
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</tr>
<tr>
<td></td>
<td>d) Health and safety</td>
<td>Indicators—p. 83</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Goal 3.4</td>
<td></td>
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</tbody>
</table>

### LABOUR RELATIONS

**a) Employment**

<table>
<thead>
<tr>
<th>Indicators—p. 83</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 - 10 LA 1 LA 12 EC 5</td>
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</table>

**b) Workplace**

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Commitment #8—Employee safety</td>
</tr>
<tr>
<td>LA 6 10</td>
</tr>
<tr>
<td>6.4.3 6.4.4 #3</td>
</tr>
</tbody>
</table>

**c) Social interaction**

<table>
<thead>
<tr>
<th>Indicators—p. 83</th>
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<tbody>
<tr>
<td>Commitment #10—Shape the future together</td>
</tr>
<tr>
<td>KEOLIS</td>
</tr>
</tbody>
</table>

Keolis Group has adopted an agreement on the operation of a Group-level European Works Council. The Council consists of employee representatives from every European country where Keolis Group does business, with the number of union representatives determined by the total workforce in each country. It meets twice a year, and currently has 15 members with six different nationalities. Meetings are based on a jointly agreed agenda and focus primarily on the latest economic and financial developments affecting the Group, its strategic direction and other topics such as safety and social responsibility.

**d) Health and safety**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Commitment #8—Employee safety</td>
</tr>
<tr>
<td>SNCF LOGISTICS</td>
</tr>
</tbody>
</table>

At SNCF Logistics:

- Employee safety is more than a goal—it is a primary responsibility that each manager owes to each employee. And because risks vary from business to business, each unit within SNCF Logistics has adopted a prevention programme tailored to its own sector.
- Adopting a company travel plan offers an opportunity to focus on travelling conditions for employees, a key factor in quality of life in the workplace.

Working with its three business units—Ermewa, GEODIS and TFMM rail and multimodal freight transport—and their employees, the corporate leadership at SNCF Logistics has developed a company-wide travel plan and is now in the process of deploying it.

**GEODIS**

Employee safety is one of the 7 Golden Rules at GEODIS: “Keep our people safe, always and everywhere”. The Executive Committee tracks safety indicators from month to month. GEODIS has continued to seek certification of its facilities under OHSAS 18001 (Operational Health and Safety Assessment System), with 33.1% of sites certified in 2017.
### Commitment #1—Safety

**KEOLIS**

Keolis has provided a wide range of prevention tools to its French subsidiaries. In June of 2017, the company launched a new communications kit aimed at passenger safety, designed to spread best practices and safety-oriented habits that drivers should adopt before, during and after delivery of transport services.

Keolis also applies a range of measures to protect passengers, employees, sensitive facilities, rolling stock, information and communication systems. Since 2015, for example, some Keolis networks have equipped conductors with body cameras with the explicit goal of protecting them from violence and anti-social behaviour.

The company has also installed cameras on the noses of light rail trains in Dijon, Bordeaux, Lille and Orléans to prevent accidents and protect drivers from projectiles.

Another example of the safety culture at Keolis is KHIM, a programme designed to harmonize maintenance management practices. It requires maintenance teams to follow critical safety guidelines before they begin work—on a bus in Perth, a light rail train in Manchester, on the electrical power supply for the Lille metro, or on switches in the Boston rail network. The KHIM method calls for a “five-minute safety check” to review the safety guidelines the team should follow and share information on situations that could have caused an accident.

### Commitment #8—Quality of life in the workplace

**SNCF LOGISTICS**

SNCF Logistics believes strongly in conducting employee satisfaction surveys in all of its business units.

- **Captrain Deutschland**: Policy on working hours: work-life balance, telework, part-time work, customized scheduling, honouring employee requests when possible, and schedule changes.
- **VFLI**: Adjustments to working hours: adjusting schedules for pregnant women, experimenting with telework, limiting last-minute changes to the work calendar, providing guidelines on forward planning and modifying periodic breaks.

**NAVILAND CARGO**

The company is assessing the degree of physical exertion required of employees and is drafting a corrective and preventive action plan. In 2017 absenteeism fell to 2.6%, down from 3.5% in 2016 and 4.2% in 2013.

**THALYS**

When Thalys set up its Brussels headquarters in a new building at the heart of its network, sustainable development requirements were an integral part of the project from the start. The layout, designed to encourage agility, cross-functionality and well-being, includes creative spaces and enables employees to adapt their work areas to the tasks at hand. For greater flexibility, Thalys offers the option of teleworking to most of its employees.
**Article 225, Grenelle II**

<table>
<thead>
<tr>
<th>SNCF Group policies and achievements</th>
<th>Relevant pages in 2017 CSE report</th>
<th>GRI 4</th>
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<th>Global Compact</th>
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</thead>
<tbody>
<tr>
<td><strong>e) Training</strong></td>
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<tr>
<td>Indicators—p. 83</td>
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<tr>
<td>Commitment #9—Help our people grow</td>
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<tr>
<td>KEOLIS</td>
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<tr>
<td>In 2017 Keolis invested 3.60% of total payroll in training. The Group believes strongly in helping all Keolis employees build skills within their fields, to help them advance in their careers, to facilitate internal mobility, and to acquire key skills that will help Keolis grow.</td>
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<tr>
<td>SNCF LOGISTICS</td>
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<td>The three business units within SNCF Logistics have structured their employee development policy around two major goals: 1) expand the training offer and facilitate access to it for all employees, and 2) encourage internal mobility and offer growth opportunities to employees.</td>
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<td><strong>f) Equality</strong></td>
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<tr>
<td>Indicator—p.81</td>
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<tr>
<td>Commitment #2—Increase customer satisfaction</td>
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<td>SNCF GROUP</td>
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<td>In December 2017, to coincide with the International Day of Persons with Disabilities and France's 31st annual Telethon, SNCF showcased innovations in augmented accessibility presented by 16 start-ups. After an audit and a few corrections, SNCF's <a href="http://www.accessibilite.sncf.com">www.accessibilite.sncf.com</a> website maintained its Silver Level Accessiweb rating. The SNCF app is also 100% accessible. The Group is now in the process of revamping its sncf.com website, and the new site is being tested by employees with disabilities and representatives of partner associations. The long-term goal is for all SNCF sites and apps to be 100% accessible, to meet both our own goals and legal requirements.</td>
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**THE ENVIRONMENT**

<table>
<thead>
<tr>
<th><strong>a) General environmental policy</strong></th>
<th>Indicators—p. 82</th>
<th>Commitment #6—Control environmental risks</th>
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<tr>
<td>EUROSTAR</td>
<td></td>
<td></td>
<td>EN 23</td>
<td>6.5.1</td>
<td>#7-8-9</td>
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<tr>
<td>All Eurostar personnel receive environmental awareness training when they join the company, and employees with specific environmental responsibilities undergo intensive training.</td>
<td></td>
<td></td>
<td>EN 31</td>
<td>6.5.2</td>
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<td>EN 34</td>
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<tr>
<td><strong>b) Pollution</strong></td>
<td>Indicators—p. 82</td>
<td>Commitment #6—Control environmental risks</td>
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<tr>
<td>GEODIS</td>
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<td>EN 23</td>
<td>6.5.3</td>
<td>#7-8-9</td>
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<td>In 2017, GEODIS worked to limit particulate and nitrogen oxide pollution—harmful to both air quality and human health—by continuing to upgrade to vehicles with engines that meet the Euro 5 and Euro 6 standards. By the end of the year, its Euro 5 and 6 fleets accounted for 93% of nearly 4,120 company-owned vehicles, up from 88% at YE 2016 and 69% at YE 2013.</td>
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<td>EN 24</td>
<td>6.5.4</td>
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<td>EN 27</td>
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<thead>
<tr>
<th>Article 225, Grenelle II</th>
<th>SNCF Group policies and achievements Relevant pages in 2017 CSE report</th>
<th>GRI 4</th>
<th>ISO 26 000</th>
<th>Global Compact</th>
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<tr>
<td><strong>c) Sustainable use of resources</strong></td>
<td><strong>Indicators—p. 82</strong></td>
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<td><strong>Commitment #7—Build the circular economy</strong></td>
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<td><strong>EUROSTAR</strong></td>
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<td></td>
<td>Eurostar has worked hard to reduce, reuse and recycle the waste generated by its operations. As a result, less than 1% of that waste goes to landfills.</td>
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<td><strong>GEODIS</strong></td>
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<td>GEODIS designs, develops and deploys innovative, effective operating solutions based on the circular economy. Management services for end-of-life products are designed to create value for GEODIS customers by reusing or reselling parts and equipment and by recycling materials.</td>
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<td><strong>Commitment #5—Take action on climate change and the energy transition</strong></td>
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<td><strong>KEOLIS</strong></td>
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<td>To optimize its consumption and advance the energy transition, Keolis is working on a variety of fronts. These include:</td>
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<td>• Using green driving techniques to create better habits. Keolis operates over 4,190 vehicles with green driving systems;</td>
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<td>• Supporting the efforts of Mobility Organizing Authorities to make their fleets more eco-friendly and/or renovate buildings.</td>
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<td>Keolis uses the full range of alternative energies, including biofuels, ethanol, gas products and electric power.</td>
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<td><strong>GEODIS</strong></td>
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<td></td>
<td>GEODIS has made freight transport more energy-efficient by shipping higher volume loads and optimizing transport. And because its truck fleet is equipped with cutting-edge technology, the company can closely track actual consumption for each journey, driver and vehicle.</td>
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<td><strong>EUROSTAR</strong></td>
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<td>Eurostar has adopted a new ISO 50001-certified energy management system (EMS) for all of its operations in the UK. With this system, Eurostar has launched a process of continuous improvement in energy efficiency and created a structure for identifying and deploying new projects.</td>
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<td><strong>d) Climate change</strong></td>
<td><strong>Indicators—p. 82</strong></td>
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<td></td>
<td><strong>Commitment #5—Take action on climate change and the energy transition</strong></td>
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<td><strong>KEOLIS</strong></td>
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<td>Keolis offers a range of low-carbon, multimodal mobility options that encourage cycling as a way to replace or complement conventional transport. On behalf of its delegating authorities, Keolis operates a fleet of nearly 18,000 bicycles (through both bike-sharing and medium- and long-term rentals) in 29 regions in France and the Netherlands.</td>
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<td>Keolis has also continued its effort to encourage walking as a component of intermodal mobility, and it operates car-sharing services under direct management and through partnerships. In addition, the company has continued to expand ride-sharing with Instant System. Finally, Keolis operates nearly 3,600 vehicles powered by alternative fuels.</td>
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</table>
EUROSTAR

Eurostar has pledged to reduce emissions from stations, depots, offices and call centres by 25% and from passenger transport operations by 35% (per passenger and per journey) by YE 2018.

THALYS

In 2015, Thalys committed to cutting its CO\textsubscript{2}e emissions by 40% as part of the Science Based Targets initiative.

ICF HABITAT

ICF Habitat has pledged to reduce its emissions by 10,000 tonnes of CO\textsubscript{2}e annually. To achieve this goal, the company has deployed a variety of three-year action plans since 2013, eliminating 26,800 tonnes of CO\textsubscript{2}e between 2013 and 2016—equivalent to the annual carbon footprint for 3,800 French citizens.

e) Protecting biodiversity

Indicators—p. 82

Commitment #6—Control environmental risks

KEOLIS

As part of its environmental policy, Keolis Group has pledged to limit its water consumption. At local level, its subsidiaries wash their vehicles with recycled water and rainwater in addition to drinking water. In 2017, 93 of its facilities had wash-water recycling systems, and 59 had rainwater collection systems.

EUROSTAR

Eurostar maintains a biodiversity preservation area around its technicentre at Temple Mills, home to over 120 rare species of arachnids and invertebrates. In its role as protector of this area, the company trims vegetation to control invasive plants and allow sunlight to reach the soil. In 2016, Eurostar added an insect hotel to the space.

SNCF RÉSEAU

Working with partners in the Paris region, SNCF Réseau has launched a study of ecological continuity and operation of the region’s rail network. The goal is to tap the full potential of the network without damage to ecological continuity, which is often affected by track and other rail structures.

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

a) Regional, economic and social impact of company’s business

Indicator—p. 84

Commitment #12—GROW THE LOCAL ECONOMY

GROUP

SNCF participates actively in many local events, working with France’s Banque Publique d’Investissement, Chambers of Commerce and Industry, and other regional players to boost local economies. In 2017 SNCF buyers met with SMEs at supplier forums and conventions.
**Article 225, Grenelle II**

**SNCF Group policies and achievements Relevant pages in 2017 CSE report**

<table>
<thead>
<tr>
<th>SNCF Group policies and achievements</th>
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<th>ISO 26 000</th>
<th>Global Compact</th>
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<tbody>
<tr>
<td>SNCF is a founding member of Pacte PME, a French association that helps SMEs establish relationships with big corporate customers. In 2017 SNCF continued to work actively with Pacte PME to develop shared tools, including the Pacte PME survey measuring satisfaction levels among SNCF suppliers and its Mutualisation programme, which introduces promising SMEs to other major corporations.</td>
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**GEODIS**

GEODIS uses its Tremplin (“Trampoline”) programme to bring the jobless into the workplace. The goal is to help people from disadvantaged backgrounds and the long-term unemployed return to lasting employment—or gain access to the job market for the first time. The programme focuses primarily on providing information and training, helping candidates earn credentials for positions in logistics, and increasing their employability until they can win a permanent employment contract.

Tremplin has three main activities:

- Short-term internships for disadvantaged young teens in middle school that introduce them to the world of work.
- Participation in work-study programmes and in six-month internships that help disadvantaged students learn a trade.
- Opening the door to lasting employment for the chronically unemployed and jobless youth with no diploma by preparing them for positions as platform attendants or lift truck operators. This includes training, a CACES diploma, an internship and a permanent employment contract, as well as employability skills interviewing successfully, dressing for the workplace and more), plus social assistance to help deal with personal issues.

These programmes are organized in partnership with local employment assistance organizations.

**Dialogue with stakeholders**

**SNCF RÉSEAU**

SNCF Réseau is adopting a policy for consensus-building and public participation built on three core principles: attention to regional needs, projects that contribute to the local economy, and environmental protection. This commitment to listening and stakeholder dialogue plays a role in every SNCF Réseau project. And since 1997, the company has voluntarily gone beyond its legal requirements, launching innovative efforts and building a culture of genuine dialogue with stakeholders and the general public.

**KEOLIS**

In October 2017—for the seventh year in a row—Keolis held a Group-level gathering of outside stakeholders, including representatives of associations, the French State, organizing authorities, trade unions, the business community and experts. Keolis created this dialogue to learn from these stakeholders and to hear their views on its operations, its positioning and its plans for the future, and with the active involvement of members of its Executive Committee. In 2017, the conversation focused on diversity and secularism.

As part of this effort to stay in touch with outside stakeholders, Keolis provides its subsidiaries with tools and methods that help them initiate and/or structure dialogue with their own stakeholders. These include a mapping tool and ranking criteria that subsidiaries can use as needed, as well as a set of model ground rules for dialogue.
Commitment #11—Help people in hardship

**KEOLIS**

In July 2017, Keolis released Premier Chapitre, a web-based app that enables passengers to read the first chapter of new books at no charge—a service that adds pleasure and entertainment to their daily commute. If they like the first chapter, passengers can borrow the book directly through the app, or visit Place des Libraires, a dedicated platform they can use to identify local booksellers that have the title in stock.

Since January 2018 when Keolis launched the app in Caen, Premier Chapitre has been adopted by the Bus Verts, Saint-Malo and Mont-Jura networks, and is now under study in Montargis.

**EUROSTAR**

In partnership with all of the major museums and galleries in its top destinations, Eurostar has created a special programme for its passengers: two entries for the price of one when they present their Eurostar ticket. The company also promotes cultural exchange through partnerships with British schools, particularly bilingual or other local schools where French is on the curriculum. Finally, Eurostar regularly organizes poetry and literature competitions, working with organizations such as the French Chamber of Commerce and the Betjeman Poetry Prize association.

c) Sub-contractors and suppliers

**Indicators**

**Practice responsible procurement**

**GROUP**

In 2017 the Group announced that evaluation of corporate social responsibility performance would be required for suppliers of fixed installations for electrical traction, with gradual rollout through 1 January 2023.

**GEODIS**

Since 2011 Geodis has incorporated labour- and environment-related criteria in its tenders, scoring systems and model contracts. These criteria can be critical differentiators when the company chooses a new supplier or renews an existing contract. In 2015, GEODIS developed a Supplier Code of Conduct and sent it to partner businesses.

Since 2011 Geodis has used the Ecovadis platform to evaluate:

- The engagement and corporate social responsibility performance of its top suppliers in the areas of property, temporary employees, fuels, packaging, operating consumables, IT, vehicles and more;
- The engagement and corporate social responsibility performance of subcontractors for road, rail, sea and air transport;
- Its own corporate social responsibility performance, both at Group level and among Geodis business units.

**KEOLIS**

The Keolis Procurement Charter outlines general principles for procurement within Keolis Group and establishes formal rules of ethics and good conduct for all internal and external players in the procurement process. The Group rounds out its procurement policy with three commitments to sustainable, inclusive procurement:

- Promote inclusive procurement by buying from suppliers who hire workers with disabilities and the unemployed, by taking an active role in local economic life and by cultivating regional ties;
### SNCF Group policies and achievements

**Article 225, Grenelle II**

- Ensure that the procurement process includes consideration of Keolis environmental policy, risks to the safety of people and property, and protection of data and know-how.
- Apply the whole-cost method to all purchases and keep supplier relationships transparent, in particular by reducing the risks of mutual dependence and monopoly.

Meanwhile, the Procurement Division is studying ways to evaluate Keolis suppliers based on social and environmental risks.

In 2017 Keolis made more than €22 million in purchases from sources in the socially responsible, inclusive economy: €20 million in inclusive procurements that promoted jobs for the chronically unemployed, and €2 million that contributed to indirect employment for people with disabilities.

**EUROSTAR**

Eurostar’s procurement criteria include the energy and environmental impact of every purchase. Tender forms contain a set of standard questions, and the responses of each bidder are an integral part of the evaluation process. Procurement contracts require all suppliers to comply with Eurostar’s energy and environmental policy.

Eurostar’s environmental team is involved in the procurement process for all contracts with a significant impact on the environment and/or energy consumption.

<table>
<thead>
<tr>
<th>Fair competition</th>
<th>Fight corruption</th>
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<td><strong>KEOLIS</strong></td>
<td><strong>EC 7 LA 6 PR 1</strong></td>
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In 2013 Keolis Group voluntarily adopted its Konformité programme, which calls on all employees to obey the law and follow ethical business practices in everything they do. The programme focuses on three key areas that affect all subsidiaries: strict adherence to free and fair competition, prevention of corruption and fraud, and protection of personal data.

The Group has also established three procedures governing gifts and invitations, donations and sponsorships, and relationships with partner businesses.

Keolis continued to raise employee awareness of these issues in 2017. In just one example, 1,663 people participated in its training module on preventing corruption, designed for Keolis SA managers worldwide.

<table>
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<tr>
<th>Other initiatives promoting human rights</th>
<th><strong>EC 7 LA 6 PR 1</strong></th>
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<tr>
<td><strong>ETHICS</strong></td>
<td><strong>EC 7 LA 6 PR 1</strong></td>
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</table>

In March 2016, GEODIS replaced its Ethics Committee (created in 2009) with a Risk Committee that incorporates ethical issues. The new Committee focuses on prevention and reporting, and ensures that policies and procedures are effective and well communicated within the Group.
**NOTE ON METHODOLOGY**

**Overall scope**

Reporting for 2017 provides data for the three EPICs and the following subsidiaries: Keolis, GEODIS, Eurostar, Thalys, VFLI, Naviland Cargo, Ermewa, Captrain, VIIA, ICF Habitat and Ouibus.

STVA was sold in October 2017 and is therefore not included in this report. VSC did not participate in the quantitative indicators.

In the figures for 2017, we were unable to segregate Réseau and Mobilités for all indicators. We are gradually adapting our information-gathering systems and methods for the new financial year.

Detailed information on the scope and methodology of HR indicators for each year is provided below (see the Employees section on page 94).

Reporting includes international business, except as otherwise noted for specific indicators.

In the tables below, the term “Group” specifies the scope for each indicator. Based on availability of 2017 information for our various businesses, this report uses the following abbreviations:

- GPF: Groupe Public Ferroviaire (the three EPICs, no subsidiaries);
- K for Keolis;
- G for GEODIS;
- O for other integrated subsidiaries (VFLI, Naviland Cargo, Ermewa Group, Captrain, VIIA, Groupe, Ouibus, ICF Habitat, Thalys and Eurostar).

Wherever there are changes in scope, each indicator may be specifically mentioned in the text or in this note on methodology.

**Customers**

**Number of accidents involving trains (or other modes of transport) that resulted in physical injury – GPF O**

Accidents and types of accidents are defined as specified in Appendix VI of the Administrative order of 19 March 2012 covering all SNCF traffic on the French national rail network. The term “physical injury” includes fatalities, serious injuries and minor injuries (in accordance with EC Regulation No. 91/2003)

Accidents involving trains that resulted in physical injury are defined as accidents involving physical injury to persons aboard the affected train. The phrase “other modes of transport” refers to accidents reported by the various subsidiaries, including buses, trucks, metros and trams.

**Scope:** O includes VFLI

**Number of Notable Safety Events (NSE) - GPF**

The NSE indicator is tracked throughout the GPF. A “notable safety event” is an incident of non-compliance with the safety regulations that puts at risk the physical integrity of the persons transported or present on the premises of rail installations (including staff, employees of service providers and sub-contractors).

**Physical assaults on customers and SNCF staff, and thefts of passenger belongings – GPF O**

The “traditional” definition was fairly narrow. Now the definition includes the following types of incidents: sexual assault (which has included “language or behaviour with sexual connotations” since 1 June 2016), assault causing bodily harm, violent resistance to public officials, non-violent theft, and violent theft of passenger belongings (with threat or assault). Figures for 2015 and 2016 have been updated based on the new definition.

**Scope:** O includes Naviland Cargo and VFLI

**Number of malicious acts against property or assets – GPF O**

Malicious acts, theft of SNCF assets (including metals, track materials, tools and funds) and fraud. Any malicious act damaging physical assets, fraudulent theft against SNCF, burglaries against SNCF, petty theft against SNCF.

**Scope:** O includes VFLI

**Anti-social behaviour and violations of law - GPF**

This includes violating France's anti-smoking legislation (Evin Act), putting feet on seats and spitting, insults and offensive behaviour; threats; unauthorized presence such as trespass/forced entry and obstructing traffic; and illicit activities, such as trafficking and using narcotics, begging and itinerant sales.

**Percentage of customers satisfied with Transilien service (under normal and disrupted conditions)**

In 2016 we changed our methodology: interviews are now conducted in person at stations rather than by telephone. In addition, we have reformulated the questions and changed their order, based on work performed jointly with STIF.

**Low-cost leisure tickets as a share of high-speed services in France - GPF**

In 2017, we modified the scope of the “low cost” indicator to better reflect the low-cost policy adopted par TGV and Ouigo. This indicator now covers the portion of Loisir tickets sold at a price that is lower than the cost of ride-sharing for the same journey, plus 20% (to account for the time savings and additional comfort passengers enjoy with high-speed rail), but does not exceed €50 (as defined in DGITM’s low-cost audit report, published in December 2016). Historical data have not been generated beyond 2016.

**Number of stations with accessibility services for persons with limited mobility (Access Plus, Accès TER, Accès Plus Transilien) – GPF**

Definition: scope of care and comfort offered by Accès Plus, Accès TER and Accès Plus Transilien, which provide end-to-end support for persons with limited mobility at every point in the mobility chain – booking, departure, arrival and connections.
Tonnes of CO\textsubscript{2}e avoided thanks to rail motorways (in thousands) – O (VIIA)

Definition: calculation of tonnes of CO\textsubscript{2}e avoided per journey per semi-trailer:

One wagon carries two semi-trailers; the calculation is based on an average load of 16 tonnes of cargo per semi-trailer.

Calculation method:

Weight carried per wagon:

2 empty semi-trailers (7 tonnes) plus 16 tonnes of cargo.

Or: 2 x (16 + 7) = 46 tonnes

Calculation of road transport emissions:

A: Number of kilometres travelled x 46 x emissions factor Road transport:

weight carried by two semi-trailers, with an average load of 16 tonnes:

2 x 16 = 32 tonnes.

Calculation of rail motorway emissions:

Or: 2 x (16 + 7) = 46 tonnes

2 empty semi-trailers (7 tonnes)

Weight carried per wagon:

Calculation method:

of 16 tonnes of cargo per semi-trailer.

One wagon carries two semi-trailers; the avoided per journey per semi-trailer: (A-B)/2

Environment

Energy consumption for modes of transport in tonnes of oil equivalent (TOE).

Calculations based on the following conversion factors: 1 m\textsuperscript{3} of diesel = 0.847 TOE, 1,000 kWh = 0.086 TOE.

Published electricity consumption data for rail traction by the EPIC, taken into account when calculating CO\textsubscript{2}e emissions, were provided by the manager of the French electrical transport network (RTE).

The consolidated total also includes traction energy consumed by metro and light rail systems operated by Keolis, as well as rail traction energy consumed by our VFIL, Thalys, Captain and Naviland Cargo subsidiaries.

Road fuel consumption (in thousands of TOE) – GPF K G O

This includes consumption by our GEODIS, Keolis, VFIL and Ouibus subsidiaries for the commercial fleets that they own or operate.

Energy consumption in buildings – GPF K G O

For the EPIC, 2017 consumption relating to domestic fuel oil and heating networks is estimated on the basis of average prices, respectively €0.047 per litre and €0.0468 per kWh (Source: SNCF Immobilien). The consolidated total includes energy consumption in buildings of the following subsidiaries: GEODIS, Keolis, VFIL, Naviland Cargo, Ermewa, VIIA, Captain and Eurostar.

CO\textsubscript{2}e emissions for transport (in thousands of tonnes) – GPF K G O

CO\textsubscript{2}e emissions generated by rail traction are calculated using various methods to satisfy three specific reporting systems: Section R229-51 to 56 of the French Environment Code (overview of greenhouse gas (GHG) emissions (harmonized consolidation of EPIC + subsidiaries). Section L1431-3 of the Transport Code, as amended by Decree No. 2017-639 of 26 April 2017 (information on the amount of greenhouse gases emitted by a transport service).

To calculate CO\textsubscript{2}e emissions from traction energy consumption, the emission factors used are 0.048 kg of CO\textsubscript{2}e per 1 kWh of electricity (“Base Carbone®” database – electricty used for transport; Decree No. 2017-639 of 26 April 2017 governing information on the amount of greenhouse gases emitted by a transport service – Administrative Order of 26 April 2017; GHG information for transport – L 1431 3 of the French Transport Code) and 3.17 kg of CO\textsubscript{2}e for 1 litre of diesel from well to wheel, and 2.68 kg of CO\textsubscript{2}e for direct emissions (from tank to wheel) for 1 litre of diesel (GHG Protocol – “GHG emissions from stationary combustion”, version 4.0 of October 2010).

Greenhouse gas emissions from service fleets (CO\textsubscript{2}e in thousands of tonnes) – GPF

CO\textsubscript{2}e emissions are calculated based on the GHG Protocol, at 2.68 kg of CO\textsubscript{2}e per kWh for electricity (average content for mainland France, excluding upstream emissions); 0.204 kg of CO\textsubscript{2}e per kWh for gas (natural gas in Europe, excluding upstream emissions); 2.68 kg of CO\textsubscript{2}e per litre for domestic fuel (excluding upstream emissions); 0.154 kg of CO\textsubscript{2}e per kWh for district heating networks (excluding upstream emissions).

Passenger-kilometre

Unit of measure for traffic, corresponding to transport of one passenger over a distance of one kilometre. SNCF uses this distance for pricing.

Calculation of the change in CO\textsubscript{2}e emissions per passenger-kilometre (in gCO\textsubscript{2}e/pkm)

This indicator tracks CO\textsubscript{2}e emissions generated by SNCF Mobilités rail transport activities, using the methodology for information on greenhouse gas emissions from transport services described in Section L1431-3 of the French Transport Code. The reporting protocol for CO\textsubscript{2}e emissions from rail traction, available from SNCF’s Sustainable Development Division, contains details on how these indicators are calculated.

Environmental management – GPF K G O

Scope: O includes Naviland Cargo and Captain since 2015.

Provisions for environmental risks (in € millions) – GPF K O

Scope: O includes Ermewa.

Plant protection products (in tonnes) – GPF

In accordance with the European Waste Catalogue, codes 06 13 01 (inorganic plant protection products, wood-preserving agents and other biocides) and 07 04 (wastes from MFSU of organic plant protection products (except 02 01 08 and 02 01 09), wood-preserving agents (except 03 02) and other biocides).
Employees
Details on the scope of all HR indicators for the financial years presented

2017 – GPF K G O

GPF (Mobilités EPIC, Réseau EPIC, SNCF EPIC), all SNCF Logistics subsidiaries, Keolis, AREP, Eurostar, ICF, Itiremia, Orfeia, Ouibus, Sferis, VSC Group, Thalys. In short, all fully integrated subsidiaries included in consolidated financial statements for SNCF Group:
- The entire SNCF Logistics division (except for STVA, sold in October 2017),
- The entire Keolis Group, except for Keolis Santé (1,558 employees in France), acquired in 2017,
- Other subsidiaries with over 200 employees: Eurostar, Thalys, VSC Group, Ouibus, AREP, Itiremia, ICF, Orfeia, Sferis.

2016 – GPF K G O

GPF (Mobilités EPIC, Réseau EPIC, SNCF EPIC), all SNCF Logistics subsidiaries, Keolis, AREP, Eurostar, ICF Habitat, Itiremia, Orfeia, Ouibus, Sferis, VSC Group, Thalys. In short, all fully integrated subsidiaries included in consolidated financial statements for SNCF Group:
- The entire SNCF Logistics division,
- The entire Keolis Group,
- Subsidiaries with over 200 employees (as recorded in the 2016-2017 management report): Eurostar, Thalys, VSC Groupe, Ouibus, Sferis, ICF, Orfeia.

2015

GPF (including RFF for workforce breakdown, but excluding RFF for the other indicators), subsidiaries of the SNCF Logistics division (excluding Ozburn Hessey Logistics which joined the GEODIS Group in November 2015), Keolis, AREP, Eurostar, ICF Habitat, Itiremia, Orfeia, Ouibus, Sferis, VSC Group, Thalys. In short, all of the fully integrated subsidiaries included in consolidated financial statements for SNCF Group:
- The entire SNCF Logistics division,
- The entire Keolis Group,
- Subsidiaries with over 200 employees (as recorded in the 2015 management report): Eurostar, Thalys, VSC Group, Ouibus, Sferis, AREP, Itiremia, ICF and Orfeia.

Total number of SNCF Group employees at 31 December

The workforce consists of employees bound to the company by an employment contract that is currently valid or suspended due to leave or illness, regardless of the nature of the contract. Excludes interns. Excludes SNCF doctors. Includes professionalization and apprenticeship contracts, Single Integration Contracts (CUI). Includes SNCF Assurance and Pensions Fund. Includes both part- and full-time employees. Each member of the workforce counts as one.

Percentage of women – GPF
- Number of women expressed as a percentage of total senior management and of executive management
- Number of women expressed as a percentage of total management (including senior management and executive management)
- Number of women expressed as a percentage of non-mobile operating and supervisory staff (excluding management)
- Number of women expressed as a percentage of mobile/on-board staff (drivers and train managers)

Percentage by age group 2015
Total workforce by age group, as reported by each entity; breakdowns are not always available at international level.

Recruitment
Number of employees hired by the company during the year. Each hire is counted as one unit, regardless of time spent with the company.

Permanent contracts, France:
Number of employees hired by the company under permanent contracts during the year.

For GPF: permanent hires on cheminot status as part of the full-time workforce and on a contract basis.

Temporary contracts, France:
Number of employees hired by the company under temporary contracts during the year. Each hire is counted as one unit, regardless of time spent with the company, and even if he or she worked under multiple contracts in a single year.

For Keolis, hires reflect all new arrivals, including newly integrated subsidiaries. One employee may be counted several times if he or she joins the company several times during the year.

Dismissals
Number of dismissals for economic or other reasons. GEODIS: no international data available. GEODIS has no detailed information on departures outside France. GPF: this figure corresponds to employer-initiated terminations of employment contracts. In addition to dismissals, we included terminations for gross misconduct, terminations for disciplinary reasons, terminations during probationary periods, and terminations of probationary employees with cheminot status for disciplinary reasons.

Noise - GPF
This UIC (International Union of Railways) indicator is based on the methodology in UIC Leaflet No. 330, “Railway specific environmental performance indicators”. It indicates the proportion of rolling stock fitted with composite brake blocks.

Scope: O Ermewa

Water – water consumption – GPF K G O
Scope 2017: Total water consumption for SNCF facilities is based on consumption for GPF and for Keolis, GEODIS, VFLI, Naviland Cargo, Ermewa and Capttrain. For 2017, water consumption was estimated on the basis of expenditures recorded for water at a unit price of €4.02 per m3. (Sources: INSEE indices and the EIDER database at the French Ministry for the Ecological and Inclusive Transition).

Hazardous waste – GPF K G O
For the GPF, this covers hazardous industrial waste reclaimed or destroyed under SNCF EPIC’s nationwide Master Service Agreement programme.

Scope: In 2017, O includes VFLI.

Reclamation of end-of-life materials on products (in € million) – GPF
The end-of-life materials covered by this indicator are: tracks, rails, skips, overhead signalling, condemned equipment, track vehicles, tools and other items. The “re-use” category consists primarily of equipment that can be repaired.

SNCF – 2017 Corporate social engagement report
Training hours
Total includes e-learning hours.

Number of on-board employees
GPF: on-board workforce (trains and drivers). Subsidiaries: total workforce by category, as reported by each entity. Breakdowns by job category are not always available at international level.

Number of part-time employees
Ratio of part-time workers to full-time workers.

Absenteeism due to illness – France
Number of days missed due to illness or non-occupational injuries (excluding accidents in the workplace)/ number of theoretical working days. Reported number of days missed due to illness: Number of days missed due to illness or non-occupational injuries (excluding accidents in the workplace). Theoretical number of workdays. We calculate this indicator by taking the total number of days in the year and subtracting the company’s usual number of days off per week, days with reduced working hours, holidays or days off, and statutory and contractual periods of annual leave. The result is then multiplied by the total average workforce for the year. (For SNCF, we set the theoretical number of workdays at 228 using the following calculation: 365 - 104 (Saturdays and Sundays) - 8 (bank holidays) - 25 (statutory paid leave, i.e., five weeks of workdays)).

Average monthly gross salary in France (€)
Applies to all GPF employees. Replaces average monthly salary for the Group (unavailable for 2017).

Gender pay gap – GPF
Based on average gross monthly pay. Covers permanent managerial staff, excluding senior and executive management.

Frequency of workplace accidents – France
The number of accidents requiring more than one day of missed work (excluding travel) per million hours of work. GPF: hours worked are calculated by multiplying 1,607 hours by the average available workforce.

Severity of workplace accidents – France
Severity is calculated using the number of days lost to temporary incapacity per 1,000 hours worked. Excludes accidents during travel. GPF: hours worked are calculated by multiplying 1,607 hours by the average available workforce.

Employment rate for workers with disabilities – France
2017
Number of persons reported on France’s mandatory declaration on employment of workers with disabilities (DOETH) / contract workforce reported on the DOETH. GEODIS: includes the number of workers with disabilities relative to the total workforce.

2016
Number of persons reported on France’s mandatory declaration on employment of workers with disabilities DOETH. For GEODIS, Sfers and Itiremia, this includes the number of workers with disabilities relative to the total workforce. Excludes Orfea.

Number of declared cases of work-related illness – France
Reports work-related illnesses contracted in the company, as listed in the tables under Section R461-3 of the French Social Security Code, or recognized as such.

Whistleblowing system
Our whistleblowing system complies with Sections 6-15 of France’s Transparency, Anti-Corruption and Economic Modernization Act of 9 December 2016, and its implementing decree 2017-654 of 19 April 2017. Managed by our Ethics & Deontology Division, this system fulfils our corporate responsibility to create an appropriate procedure for handling concerns expressed by our workforce.

Regional development
Total amount of socially responsible procurement (in € million) – GPF
Purchases made from suppliers with employees who have disabilities or a long history of unemployment (direct or assimilated integration) or from a fair-trade business.

Number of new assisted entrants to the workforce – GPF
2017: the wording for this indicator has changed. Number of people employed by Structures d’Insertion par l’Activité Economique (SIAE).


CSR performance of suppliers – GPF
Average score (out of 100) from EcoVadis evaluations
This score is the average of the ratings awarded to all suppliers evaluated by EcoVadis, an independent CSR specialist. The evaluation examines policies, initiatives and indicators adopted by the companies and rates their performance across four themes – environment, fair labour practices, ethics/fair business practices and supply chain. EcoVadis applies 21 criteria, using a scale from 1 to 100. Participating suppliers are selected based on an analysis of CSR risk and their strategic importance for the company.
NON-FINANCIAL RATINGS

Ecovadis is a neutral, independent platform. In response to many client requests, it rated SNCF’s performance in the area of corporate social responsibility and gave it a score of 75/100. This rating, published in October 2017, is unchanged from its previous evaluation (up from 70/100 in 2014). This puts SNCF’s non-financial performance at the Advanced level, or level 4 on a scale of 5. In 2017 Geodis earned a score of 68/100, maintaining its Advanced level of performance and taking first place among the 252 companies Ecovadis evaluated.

At the request of investors, Vigeo Eiris has evaluated SNCF since 2007. In 2017 the Group scored 66/100, up 13 points over the previous evaluation. This places SNCF at the Advanced level. Although the company scores below average for its sector (transport and tourism Europe) in governance, it scores above average for its sector in the five other domains and ranks first out of a total of 15 companies evaluated in this sector. Réseau EPIC (transport and logistics category) scored 66/100 in 2017.

OVERALL ECONOMIC PERFORMANCE BASED ON AVOIDED COSTS (€ MILLION)

SNCF

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Community

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<tbody>
<tr>
<td></td>
<td>11.1</td>
<td>15.7</td>
<td>16.5</td>
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</tbody>
</table>

*The concept of “community” includes stakeholders such as the French State, regional governments, local residents and companies.

INTANGIBLE VALUE OF SNCF’S SOCIAL RESPONSIBILITY INITIATIVES

SNCF takes action to benefit civil society in a range of areas: socially responsible procurement, mediation aboard trains, community service programmes, employment initiatives and more. These initiatives create intangible assets and generate value.

To measure their economic efficiency, we have broadened our non-financial evaluation to include the avoided costs method. Employment programmes, social mediation and socially responsible procurement create jobs for people on the margins of society. Mediation—aboard our trains and in our stations—improves on-time performance and reduces delays. Finally, community service work and alternative sentencing programmes shrink the prison population, cut costs for society (one day of incarceration costs an average of €120), and help reduce recidivism.

In short, this type of economic assessment is meaningful for managing and promoting social responsibility programmes at SNCF.
SNCF GROUP ETHICAL CHARTER

11 PRINCIPLES OF CONDUCT

01 Protect our human capital.
02 Prevent and fight corruption.
03 Fight fraud.
04 Obey competition law.
05 Avoid conflicts of interest.
06 Protect confidential information and personal data.
07 Use and manage SNCF assets with discipline and integrity.
08 Shrink our environmental footprint.
09 Be a responsible, caring corporate citizen.
10 Ensure that our service providers, suppliers and partners apply equivalent ethical standards.
11 Shoulder the unique responsibilities that come with a public service mission in France—secularism, religious neutrality and equal treatment—and the special duties of fair dealing and discretion.

ENVENGAGEMENT MILESTONES

1999
Environmental charter for state-owned enterprises

2003
UN Global Compact

2004
Diversity charter with IMS-Entreprendre pour la Cité

2008
Community of European Railway and Infrastructure Companies (CER) pledges to cut passenger CO₂ e emissions by 40% and freight CO₂ e emissions by 30% between 1990 and 2020.
Gare européenne et solidarité (European rail network) charter
Sustainable development charter of the International Association of Public (UITP)

2009
Responsible Advertisers' Charter (French Union of Advertisers, or UDA).

2010
Sustainable Mobility Charter of the International Union of Railways (UIC)
Responsible Procurement Charter (French Ministry of Finance)
SME Procurement Pact (France)

2012
Innovative SME charter
Responsible Supplier Relations certification renewed

2013
Entreprendre dans les quartiers charter (French Ministry of Urban Affairs)

2015
Joint commitment with UIC to reduce targeted GHG emissions by 50% between 1990 and 2030, and 75% between 1990 and 2050
Individual SNCF commitment to cut GHG emissions by 20% between 2014 and 2025
Admitted to GC Advanced Club of UN Global Compact Became founding member of the Railsponsible initiative, alongside five other leading rail companies.

2016
Joined SloCaT, the Partnership on Sustainable, Low Carbon Transport. This partnership consists of 90 non-state stakeholders— including NGOs, development banks, and businesses—from around the world. Its mission: provide practical advice to UNFCCC (UN climate change) negotiators on decarbonizing transport at international level.
Joined Science Based Targets initiative

2017
Engagement in Transport Decarbonization Alliance
Joined UDA’s FAIRe programme for responsible advertising