ANNUAL REPORT

2022

STEF


STEF


stef

CONTENTS

OUR PURPOSE

“Teams who are committed on a daily basis to guaranteeing sustainable, safe access to a diverse range of food for everyone”.

For more than 100 years, the STEF Group has had one essential purpose: to guarantee food supplies for millions of Europeans. The Group is uniquely positioned in the food chain. Its teams work hand in hand with producers, distributors and restaurant managers to transport, store, and package the products that are on consumers' plates every day.
The STEF Group's purpose is the expression of a strong conviction about the specific and differentiating way in which it sees its business and wants to practice it. It is a barometer for all employees and shows, beyond words, the reality of its daily commitment to serve its customers and its desire to act, not only to ensure the Group's sustainability but also that of the world around it.
Every day the Group's employees focus all their energies on contributing to a more ethical food industry, one with greater respect for the environment and consumers.
STEF describes itself as "connecting values". The Group plays a key role at the centre of the food logistics chain by acting as a liaison between the various food market players.
By connecting producers, retailers and restaurant managers, STEF provides effective solutions that:

* guarantee the integrity and safety of food products;
* respond to changes in the market and consumption habits;
* support the development of its customers.

INTERVIEW WITH STANISLAS LEMOR

Chairman & Chief Executive Officer of STEF

2022 was a very satisfactory year for STEF. What are the reasons for this success?

2022 was both the first real post-covid year and a new stress test for companies due to the return of inflation and increased energy tensions. In this context, we were able to test the resilience of our business model, our financial strength and, above all, our ability to adapt. As a result of our teams' dedication and professionalism, the Group has continued to grow and has indeed had a satisfactory year, with good revenues in all our businesses.

Your turnover was impacted by the effects of external growth...

Yes, but not only that! We can be pleased that we have made balanced progress, both in terms of organic growth and external growth. But it is true that the year was particularly productive. In the United Kingdom, we are now involved in the transport of temperature-controlled food products through the integration of our subsidiary Langdons. In Switzerland and Italy, we strengthened our position in the frozen food sector with the acquisition of Frigosuisse and SVAT. And in Spain, we further expanded our network with the acquisition of Enaboy and TTC. Not to mention that we saw a real boost in the development of our international flows, which was accelerated by the facilities acquired at the end of 2021 in Belgium, the Netherlands, and Italy.

As a result of our teams' dedication and professionalism, the Group has continued to grow, with strong revenues in all our businesses.

How much have you spent on all these investments?

Investing regularly has always been a strategic priority for STEF because it means giving ourselves the means to prepare for the future. Nowadays, we can even say that it is our trademark! Specifically, despite operating in a rather uncertain environment, for the second year in a row we devoted nearly €300 million to investments in modernising our tools, adapting to climate change, and our external growth policy.
These are all aspects that are the cornerstone of our future development.

When it comes to development, are international flows your "final frontier"?

Our Group has always expanded as a result of a strong local presence. We currently have an integrated network and solid positions in 8 Western European countries. This means that we can offer the same quality of service from Naples to Glasgow or Lisbon to Zurich, in the shortest possible time and with customs formalities taken care of if necessary. This is a definite advantage for our customers, be they importers or exporters. Since the recent establishment of our international flows business unit in France, we now have a network of employees and a single organisation capable of supporting them in every country where we operate. We believe that this is a strong asset and an important growth driver.

You recently announced that you were aiming for an increasingly global performance. What does this mean?

Over the last few years we have been able to shift our vision. This is embodied in our new strategic plan, which aims for sustainable growth and places all our stakeholders at the heart of our project. This ambitious plan, which has its roots in our purpose, aims to consolidate our position as European leader in our business and to take us past the five billion euro turnover mark by the end of 2026. It allows us to combine our economic performance with our social, societal, and environmental responsibilities.

Precisely how does this "Committed to a sustainable future" plan prepare you for the future?

It was designed to address the main challenges we face: the evolution of new food consumption patterns, climate change, the changing relationship with work and the impact of new technologies on our supply chain businesses.
To do this, it is based on five major commitments.
The "People Care" commitment focuses on our teams' development and fulfilment as well as on our attractiveness to new generations. The "Customer Care" commitment places our customers and the trust-based relations that unite us at the forefront of our efforts, in order to support them in their transformation challenges in an ever more refined manner. The "Consumer Care" commitment reaffirms that consumer protection is a pivotal part of our mission. The "Planet Care" commitment underscores our intent to work towards an ever more sustainable supply chain. And finally, to address each of these issues, we will use innovation as a powerful tool for change.

What do you foresee in the future?

Our Group is changing very quickly. In a complex environment, marked by the return of inflation and upheavals in the energy markets, STEF is expanding with unparalleled agility while preserving its identity. Our internal culture is demonstrated by our enduring human values and the consistency of our shareholding model, which will reach its 30th anniversary this year. More than ever, we will strive to nurture this identity and entrepreneurial spirit in order to further cultivate the trust placed in us by our customers throughout Europe.

GROUP'S GOVERNANCE

Executive Committee and Operations Management Committee members

CHAIRMAN - EXECUTIVE MANAGEMENT

Stanislas LEMOR
Chairman and
Chief Executive Officer

Marc VETTARD
Deputy Chief Executive Officer

EXECUTIVE COMMITTEE AND OPERATIONS MANAGEMENT COMMITTEE

From left to right in the photo

Ángel LECANDA
Business Director

Alexandre de SUZZONI
Deputy Chief Executive
Officer France
Out-of-Home Foodservices
BU Director

Marco CANDIANI
Managing Director of STEF Italy

Marie-Line PESQUIDOUX
Company Secretary

Olivier LANGENFELD
Development, Sales and
Marketing Director

Damien CHAPOTOT
Deputy Executive Officer
of STEF Transport

Ludovic LAPORTE
Financial Director

Stanislas LEMOR
Chairman and Chief
Executive Officer

Marc VETTARD
Deputy Chief Executive Officer

Jean-Yves CHAMEYRAT
Human Resources Director

Christophe GORIN
Managing Director
Northern Europe

François PINTO DA SILVA
Managing Director of STEF Iberia

Laurence PICOT
Transformation &
Innovation Director

Léon de SAHB
IT Systems Director
Managing Director of STEF
Information et Technologies

Vincent KIRKLAR
Real Estate Director
Managing Director of Immostef

Bertrand BOMPAS
Deputy Chief Executive
Officer France

BOARD OF DIRECTORS

Stanislas LEMOR, Chairman
Ahkim BEHNAMOUDA
Sophie BREUIL
Jean-Charles FROMAGE
Estelle HENSGEN-STOLLER
Bernard JOLIVET
Murielle LEMOINE
Lucie MAUREL-AUBERT
Dominique RAMBAUD
Maxime VANDANI
ATLANTIQUE MANAGEMENT,
represented by
François de COSNAC

THE GROUP'S SOCIAL VALUE

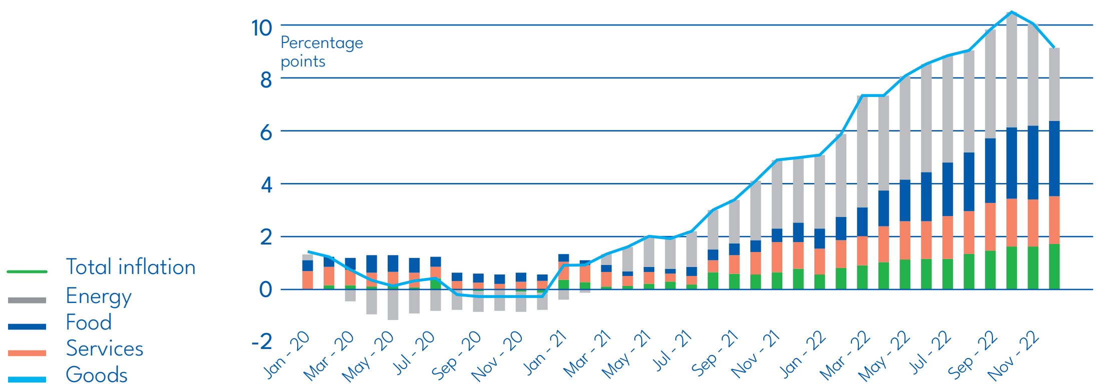
THE GROUP'S FOOD ECOSYSTEM

AN UNEXPECTED ECONOMIC SITUATION

The year began optimistically, buoyed by hopes of a robust economic recovery. However, at the end of February, Russia's brutal invasion of the Ukraine triggered a spike in world agricultural and energy prices, exacerbating the inflationary pressures already at work.

The surge in electricity prices in Europe, a direct consequence of Europe's energy dependence on Russian gas, sent an inflationary shockwave across the European economies and hampered expected growth. While the phenomenon is widespread across Western Europe, its scale varies from one country to another depending on the government measures put in place to prop up the economies.

Changes in gravity of inflation factors in the Eurozone



CHANGE IN GDP IN 2022 VS 2021

2022 (vs 2021), %	Eurozone	FR	BE	IT	ES	PT	ND	CH	UK
Growth (GDP estimates)	3.3	2.6	2.9	3.7	4.7	6.7	4.3	2.1	4.4
Inflation	8.4	5.2	9.6	8.2	8.4	7.8	10.0	2.8	7.9

Source: OECD (2023) - Real GDP / Inflation (CPI) Forecasts.

CONSUMERS ARE PRUDENT IN THEIR CONSUMPTION

European societies have gone through three years of brutal crises: a pandemic, the re-emergence of armed conflict in Europe, the return of inflation to levels not seen since the creation of the euro, and the acceleration of climate change (which has become more significant due to a series of climate-related events, etc.). This situation has led to profound, and certainly lasting, changes in consumer habits and strong pressure on people's purchasing power. Uncertainty has therefore become a reality for both consumers and food professionals.

A VOLATILE CLIMATE, PARTICULARLY UNCERTAIN FOR THE AGRI-FOOD INDUSTRY

The European agri-food industry was impacted by an unprecedented combination of factors in 2022. The links in the value chain have had to absorb and then pass on some of the cost increases they have faced. The slowdown in food production and the decline in home consumption observed in the second half of the year are the direct consequences of this inflationary climate.

The out-of-home foodservices sector, for its part, enjoyed good momentum in 2022, and finally recaptured its pre-pandemic sales volumes, thanks to the complete re-opening of establishments. Thus, the downward trend observed in shops is partly the sign of a gradual re-balancing between distribution channels.

TRANSPORT AND LOGISTICS UNDER PRESSURE

In 2022, the food ecosystem was once again put to the test and the supply chain was not spared. The extraordinary rise in electricity prices had a strong impact on the production cost structure.

On the transport side, soaring fuel prices and higher consumables costs contributed to higher operating costs.
While inflationary pressure seemed to ease at the end of 2022 in international transport, labour shortages and soaring pallet and packaging prices continued to keep the supply side of temperature-controlled road transport under real pressure. They also contributed to the rise of the professional indexes. In addition, delays in the delivery of equipment, inputs of all kinds and materials have disrupted the various global supply chains, leading to occasional shortages and delivery delays (vehicles, in particular).

CUSTOMERS AS OUR DRIVING FORCE FOR STRATEGIC DECISIONS AT STEF

The new normal is to be able to evolve in an unpredictable environment.

* The transformation of lifestyles is accelerating as economies become more digital, leading to changes in consumer habits, new expectations and ultimately, tensions in the labour market.
* More than ever, agrifood companies, our customers, must reinvent their services. Their challenges are crucial and they must be able to rely on trustworthy, committed, willing partners. Their logistics partner must therefore be able to assist them in their strategic decisions over the long term.
* It is in this context that the Group, wishing to contribute to a value-creating food supply chain, launched a customer focused program in 2022: **"Customer Care"**.
* STEF intends to strengthen its ties with its customers through this programme by making them a central part of each of its strategic choices.
* The approach will include systematically listening to customers and assessing customer satisfaction on a daily basis. Listening to, understanding, and assisting customers is one of the cornerstones of STEF Group's 2022-2026 strategic plan.

STRATEGIC PLAN 2022/2026

IN 2022, THE GROUP SET OUT ITS STRATEGIC PLAN FOR THE NEXT FIVE YEARS.

Called "Committed to a sustainable future", it reflects STEF's ambition to address the major societal challenges of its environment: climate change, the changing relationship with work, the evolution of new food consumption patterns, and the impact of new technologies on the Group's businesses. This new plan is based on the Group's values and fundamentals, aims at sustainable growth, and places all its stakeholders at the core of its ambitions. It is structured around 5 major commitments:

01 PEOPLE CARE

The women and men who make up the Group are its main asset. STEF is committed to ensuring that each and every one of them can flourish within the Group and be part of its long-term development:
* job creation;
* training and skills development;
* career development;
* professional gender diversity and equality programme;
* quality of working life.

The Group is adapting its organisation to meet the challenges of attractiveness, retaining staff, and new societal trends. It is putting itself in a position to adapt to the evolution of its jobs and the digitalisation of its businesses.

02 CUSTOMER CARE

The Group is committed to making its customers the focus of its attention in order to anticipate their expectations and to assist them more closely in their transformation challenges. At all levels of its organisation, STEF is committed to a strong relationship with its customers and to nurturing a quality relationship with them based on cooperation and trust.

The objective is to further improve existing services, invent future ones with its customers, and actively contribute to a value-creating supply chain.

"COMMITTED TO A SUSTAINABLE FUTURE"

03 CONSUMER CARE

Consumer protection is central to the Group's mission. STEF and all its employees make it a priority to ensure cold chain compliance and the safety of the products entrusted to it. Thus, they contribute to a global chain that includes producers, manufacturers, distributors, wholesalers, retailers and restaurants, right up to the consumer.

In order to contribute to making this entire chain ever more secure, the Group will continue to adapt its processes and deploy new technologies. It will also strive to continue sharing its expertise within the food industry.

04 PLANET CARE

Controlling the Group's impact on the environment is a major challenge for the planet and future generations. Through its "Moving Green" approach, the Group is committed to an ever more sustainable supply chain. It now wishes to take a step further by strengthening its position as a leader in the fight against global warming (use of biofuels for its vehicles, tests on the use of hydrogen, installation of more than 400,000 m^2 of solar panels enabling it to produce 20% of its own needs). The Group will also take into account the impact of climate change on its own organisation.

The challenge will be to prepare the Group to make the strategic decisions necessary for its own adaptation.

05 INNOVATION

Innovation is in the Group's DNA. Since its creation, STEF has never stopped inventing, innovating, and adapting its products and services. STEF's approach to innovation is geared to serving its employees and customers.

The Group aims to promote innovation as a means of creating a culture that encourages participation and is open to all employees. Innovation will be a genuine tool for transformation to address each of the other challenges.

PERFORMANCE OPERATIONS

PROFILE

As a **European leader** in temperature-controlled logistics (-25°C to +15°C) and transport services, every day the Group **carries** fresh, frozen, and thermosensitive products from their production sites to their consumption sites under the best conditions in terms of **food safety**, lead time, and quality.
Its model as a specialist in temperature-controlled food transport, logistics, and packaging is based on its **unique expertise** which gives it an in-depth understanding of the market and its developments in Europe. This enables it to **guarantee its customers** that their products are treated in strict accordance with health and safety and **available** everywhere in Europe.

OUR THREE OPERATIONAL SEGMENTS

FRANCE

Transport, logistics, and packaging activities in France are grouped under the name **"STEF France"**, according to a segmentation by customer markets with nine business units (BU). This organisation provides support for the changing markets and the needs of the Group's customers in order to take better account of their specific requirements.

INTERNATIONAL

International activities in Italy, Spain, Portugal, Belgium, the Netherlands, Switzerland, and the United Kingdom are grouped together in the **STEF International Division**, which also covers European consignments.

MARITIME

La Méridionale is the Group's maritime subsidiary with 4 mixed passenger and cargo vessels. It provides connections between the mainland and Corsica under a public service concession and opened a route between Marseille and Tangier in 2021.

KEY FIGURES 2022

CONSOLIDATED TURNOVER
€4.264 Billion

CONSOLIDATED INCOME
€146.4 M

CONSOLIDATED EQUITY
€1.040 Billion

21,700
EMPLOYEES

Belgium
Spain
France
Italy
The Netherlands
Portugal
United Kingdom
Switzerland

8
EUROPEAN COUNTRIES

OVER
110,000
DELIVERIES PER DAY

OVER
20,000
CUSTOMERS

273
MULTI-TEMPERATURE SITES
(Platforms and warehouses Including **176** in France and **97** in other countries).

REFRIGERATED QUAY AREA
570,000 M²

STORAGE VOLUME
11,000,000 m³

OVER
2,700
OWN TRACTORS AND LORRIES

4 RO-RO MIXED PASSENGER AND CARGO VESSELS

KEY EVENTS 2022

STEF had a robust business throughout the year, despite a steady, continuous decline in volumes, which became apparent in the second half of the year. The STEF Group went from a dynamic post-Covid recovery cycle to a less promising one.
The highlights for 2022 were the historical return of high inflation and the unprecedented rise in energy costs, particularly electricity and fuel. These two factors played a key role in influencing the performance of some of the Group's businesses.
At 31 December 2022, the STEF Group posted a **turnover of €4.2642 billion**, an increase of 21.6% compared to 2021 (14.2% at comparable scope) and an operating profit up by 32.2%.

A YEAR OF STRUCTURING...

The past year was an opportunity to define the Group's strategic plan for the next five years: “Committed to a sustainable future”.

FRANCE

In France, a 9th International Consignments BU was created. It includes the units involved in international consignments, housed within the Chilled Consignments BU, and those of the company Logistique Internationale Alimentaire.

UNITED KINGDOM

The integration of Langdons, acquired at the end of 2021, which marks the beginning of the Group's presence in this region.

SPAIN

The acquisition of Enaboy's business in Castilla y León and TTC in Galicia.

… AND DEVELOPMENT

SWITZERLAND

The acquisition of a warehousing and logistics company, Frigosuisse, in July 2022, which operates a warehouse between Zurich and Basel.

ITALY

The acquisition of the remaining stake in the SVAT group near Verona, specialising in frozen food, at the end of December.

FRANCE

STEF France operates on the logistics and mass consolidated deliveries market for temperature-controlled food products, and industrial packaging. This demanding market is governed by traceability, time, and temperature constraints.
In 2022, STEF France posted a turnover of €2.366 billion, up 13.8% compared to 2021 (+11.8% on a like-for-like basis).

STEF FRANCE STANDS OUT FOR:

01 the density of its network of platforms and warehouses, in proximity to the local economic fabric;

02 its expertise in the dynamic management of its clients' consignments;

03 the added value of a service differentiated according to temperatures and types of consignee customers;

04 innovative technologies and information systems that enable it to organise storage, order picking and consignment management;

05 the commitment, know-how, and sense of service of its teams;

06 the efficiency of its traceability system and its "reverse logistics" solutions[1].

[1] The movement of goods from the final place of delivery in order, among other things, to dispose of them in an appropriate manner. This process was used in product recall campaigns as part of the handling of the health crises that affected the food industry in 2022.

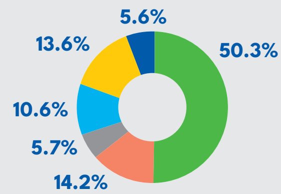
ANALYSIS BY SEGMENT

STEF France's business performance is monitored by customer market segment through 9 business units (the business unit specialised in "International Consignments" was created during 2022).

In 2022, the growth in turnover was not uniform across all the BUs; two of them were down: packaging (-6.2%) and retail (-2.0%).

The performance of the predominantly transport-based BUs was consolidated or even improved, thanks to market share gains. Conversely, logistics activities were directly affected by the rise in electricity prices and experienced more variable performance.
The Seafood and Out-of-home foodservices BUs, which had suffered considerably during the Covid period, recovered with a positive economic performance.

Breakdown of STEF France turnover by customer market



NEW INTERNATIONAL CONSIGNMENTS BUSINESS UNIT

* The specialisation by industry undertaken by STEF Group in recent years has facilitated the Group's growth by highlighting its different skills. The new International Consignments Business Unit, launched in January 2023, includes two subsidiaries:

* **STEF International**, consisting of 8 establishments in France, specialised in temperature-controlled road transport in Europe;

* **STEF Overseas** based at the Rungis International Market, which complements STEF International's services with customs expertise and air and sea freight services for major exports.

* The structuring of the International Consignments services involves updating the transport plans and consolidating the operating facilities. The purpose of this approach is to give the Group's customers greater clarity on these international activities, but also to better control the production and information on full batch activities.

* On the commercial side, the BU offers a uniform range from each region in three temperatures (ambient, fresh and frozen), from 1 to 33 pallets, to some thirty countries, using the Group's refrigerated network in Europe.
The permanent charter fleet will be expanded in order to guarantee customers the highest quality, regardless of market fluctuations.

* A tool for sharing resources contributes to optimising the fleet, it will be complemented by solutions offered by integrators capable of collecting information, such as geolocation or remote temperature monitoring from multiple sources.
STEF Overseas' specific expertise consolidates the Group's position in assisting its customers in managing customs formalities for both exports and imports.

* Finally, a Quality approach, shared by all the BU's entities, will be implemented during the year. The aim will be to achieve IFS certification at all sites by 2024.

CHILLED CONSIGNMENTS

Turnover for the Chilled Consignments BU rose by +13.4% in 2022, thanks to strong commercial momentum. Despite the pressure on resources, the BU took advantage of the actions taken by the Group in terms of attractiveness: the driving school, the partnerships promoting the integration of refugees, and the increase in the number of women in the business have enabled the BU to meet its human resources needs. 2022 was marked by the acceleration of the digital transformation, including the deployment of tools for paperless delivery notes. The continued transformation of the vehicle fleet contributed to the achievement of the CO_2 emissions reduction targets.

CHILLED SUPPLY CHAIN

Turnover rose by +10%. There was a slight slowdown in activity at the end of the year due to the inflationary situation.
Operational performance was maintained, despite pressure on staff resources and transport.
The BU relies on a real estate system that is constantly being adapted to meet its customers' needs: expansion of the Darvault site in the Paris region, equipping the Mâcon site to provide the BU with a capacity reserve to ensure its development.
In order to improve working environments and conditions, the BU is carrying out several technical projects to mechanise order preparation processes and reduce the arduousness of workstations.

FROZEN

Turnover is up compared to 2021 (+4%).
However, organic business was affected by the postponement of customer business transfers to 2021, the weak consumer demand, which was more pronounced in the second half of the year, and various crises in the agricultural and agri-food sectors (bird flu, swine fever, sharp rise in input prices, health crises). Economic performance was heavily impacted by the surge in electricity prices.

AMBIENT AND TEMPERATURE-CONTROLLED

The Ambient and Temperature-controlled food Business Unit continues to grow at a rate of +21.4%.
A number of new projects were launched at the Orléans Nord site in 2022. The Isle-d'Abeau site (Isère) carried out a major product recall campaign on a customer's behalf, demonstrating its ability to manage "reverse logistics" operations. Lastly, a "latest generation" packaging workshop was commissioned at the Aurice site (Landes).

With its 90,000 m^2, of floor space, the Ambient and Temperature-controlled BU should be fully occupied by 2023. Future locations are being considered to expand the business in the south of the Lyon region and in the north of France at a site shared with Dyad (the Group's subsidiary specialising in industrial packaging), in order to develop a combined transport, logistics, and packaging "wall to wall" offering.

OUT-OF-HOME FOODSERVICES

The Out-of-Home Foodservices business had an exceptional year in 2022, growing by 22.2%, thanks both to its historical customers and to the start-up of new contracts during the year.
The organic growth of existing customers resulted in the opening of new restaurants, but also in an increase in average deliveries to ensure an attractive product range for their customers.
These new customers are a growth driver and are making a very positive contribution to additional revenues.

Given this increase in business, the availability of resources remained a key issue throughout the year, both in terms of human resources and products to be supplied at a time of unprecedented inflation for customers, making the business both more complex and the solutions to be offered to customers ever more reassuring.
Backed by a sound management base and a strong operational performance, the Out-of-Home Foodservices BU is continuing to grow, with performance levels now in line with the investments made in recent years.

RETAIL

The Retail BU's business focuses on the "contract logistic" model, which includes warehousing and order preparation activities for the main supermarket chains in the B-to-B and B-to-C sectors.
In 2022, the BU's sales were down (-2%) compared to a strong year in 2021. The B-to-B business was down by 4.2%, reflecting a certain sluggishness in retail sales volumes. The food e-commerce business grew by +4.6%, thanks to the full-year contribution of volumes from the Aix-en-Provence site opened in 2021, the opening of a site near Rungis in 2022, and the start-up of new businesses at the Lieusaint site (Seine-et-Marne), dedicated to pure food e-commerce players. After two years of sustained growth, 2022 was characterized by a rebalancing of food consumption between the Out-of-Home Foodservices sector and retail and e-commerce businesses.
Soaring electricity prices impacted performance.

SEAFOOD

The upward trend in turnover in 2022 (+11%) masks a more mixed reality with:

- growth of +14.5% during the first half of the year, characterized by sustained business with wholesale customers, compared to 2021 when the restaurants were closed until May;
- growth of +7.4% in the second half of the year, marked by a decline in the consumption of seafood products by all types of customers due to strong inflationary pressures.

The BU focused on its growth with the opening of a new site in Atton (Meurthe-et-Moselle) in May 2022, and the extensions to the Boulogne-sur-Mer and Toussieu sites, completed during the last quarter.

PACKAGING

The BU combines the Group's expertise in co-packing and co-manufacturing and aims to support the Group's customers in marketing and promoting their products in the Fresh, Frozen and Ambient food sectors.
There was a pause in food business growth in 2022, with a 6.2% decline in turnover.
This can be explained by cyclical factors (decline in travel retail, cessation or slowdown of contracts due to customer reorganizations) but also by more structural changes, particularly in the food sector where promotional activities declined significantly.
We were able to focus on developing new customers in the non-food sector and in the cosmetics industry in particular in 2022. Historically the majority of sales in the food sector are down, but this should be offset by new contracts with cosmetics and specialized distribution companies.

INTERNATIONAL FLOWS

The BU specializing in international consignments was gradually structured in 2022 around Logistique Internationale Alimentaire (LIA), based in Rungis, to become fully operational in January 2023.
It includes the units involved in international consignments, housed within the Chilled Consignments BU, as well as the processing of consignments from France to Germany, Eastern Europe, and Northern Europe.

Its purpose is to provide a consistent range of services to some 30 countries, drawing on the Group's extensive network in Europe and its partners.
The first half of the year was particularly successful.
However, the international consignments industry was affected by strong tensions in the chartering market, which was hit by rising energy costs and a shortage of rolling stock and drivers. Inflation, which reached 8.4% in the euro zone at the end of December, adversely affected operating costs.

INTERNATIONAL

The Group's transport and logistics operations in Italy, Spain, Portugal, Switzerland, Belgium and the Netherlands and, since 2022, the United Kingdom, are brought together under **STEF International** which also includes the international consignments business from all these countries as well as Germany and Eastern Europe.

In 2022,

STEF International recorded the Group's strongest growth rate, with turnover up **+37.3%** (+15% on a like-for-like basis) to €1.334 billion. The scope effect was mainly due to the acquisition of Langdons in the United Kingdom, which contributed €208 million over the period. There was a particularly strong increase in Switzerland (**+ 40,8 %**), the Netherlands (**+30.9%**), and Spain (**+25.5%**). STEF International is a true vehicle for growth for the Group. The investment momentum was present in all countries, whether through external growth or real estate projects.

ITALY

The year ended with an 8.5% increase in turnover, indicating good momentum in all business sectors, especially in Frozen Foods (+17.1%) and Chilled Consignments (+15.9%).
Business growth has been steady, thanks to implementing synergies with the businesses acquired in 2021.

The operating margin remained at expected levels as a result of effective control of resources, but was adversely affected by the increase in production costs due to an inflation rate in excess of 10%, and by the increase in energy costs, which almost doubled in Italy.

The sales momentum, the network's reinforced coverage after integrating the SVAT group, which specializes in transport and logistics of frozen food products, and the changes in international consignments place STEF Italy in the right position to consolidate its market position.

SPAIN

STEF's activities in Spain were robust with growth of +25.5%, due to a significant sales momentum in all markets, as well as the fruits of external growth with the integration of Enaboy Castilla's flows in January and the acquisition of the TTC group and its three platforms in La Coruña, Vigo, and León in July. These acquisitions represent a new step in the Group's network in Spain.

2022 was also shaped by the opening of a platform in Granada (Andalusia) and the delivery of a new platform in Malaga (Andalusia), both of which bolstered the network in the south of the country and provided significant frozen food storage capacity.

The Group also increased its presence in the Madrid region, with the expansion of Alcala (national frozen food hub) and Torrejón (national fresh food hub), as well as the opening of a new platform dedicated to an e-commerce player.

PORTUGAL

STEF Portugal continued to grow, with **an increase in turnover of +14.5% in 2022.**
Service quality remained constant throughout the year, despite a generally unstable situation.
STEF's specialized organization in Portugal and its range of products and services have positioned the subsidiary in an attractive position with its customers and have led to the acquisition of new contracts for 2023.

STEF Portugal is fully committed to the Group's CSR policy with investments dedicated to installing solar panels at all sites, thus increasing the self-consumption ratio of electricity. STEF Portugal's participation in the Lean § Green program and the introduction of megatrucks (which facilitate groupage and transport of large quantities of goods) in the country contribute to reducing the Group's carbon footprint.

BELGIUM

In Belgium, STEF operates in two main areas: the national and international consolidation of chilled and frozen products and consolidation logistics for fresh food producers.
In 2022, against a backdrop of sharply rising electricity costs and a substantial increase in the price of food products, STEF Belgium posted strong sales momentum, with **revenue growth of nearly +11.6%.**
The transport network in Belgium is now fully operational with the integration of a new transport site in the groupage network near Ghent.
The new warehouse in Tubize in the Walloon region is being finalized and will open in March 2023. It will be the hub for fresh storage operations in Belgium. In addition, the platform located in Saintes will be renovated in order to further develop the Fresh and Frozen businesses.
This streamlined configuration puts STEF in Belgium in a good position to take on major commercial contracts that will start in 2023.

THE NETHERLANDS

STEF Nederland's business returned to a level of quality service that resulted in positive results in 2022, a sign of its teams' strong commitment. **Turnover increased by +30.9% compared to 2021.**
Specialization by business type, following the example of the operational organization set up in other countries, began with the creation of an International Consignments BU that became operational in January 2023. A Supply Chain BU will follow.
STEF Nederland's property assets, consisting of four platforms: Bodegraven, Eindhoven and two in Raalte, now enable it to bolster its range of services to develop the attractiveness of its facilities and know-how for its customers and prospects.

SWITZERLAND

Transport and logistics activities continued to grow in 2022, **posting a 40.8% increase in turnover.** The average occupancy rate of frozen warehouses remained stable throughout the year.
The acquisition of Frigosuisse and its warehouse in Möhlin near Basel is an important step in the Group's expansion in Switzerland.

By integrating these activities, STEF becomes the leading service provider in the field of frozen products in Switzerland.
Two real estate investments are under consideration in French and German-speaking Switzerland. They will enable the Group to continue building up its business there.

UNITED KINGDOM

Acquired at the end of 2021, Langdons has completed its first year as part of the STEF Group.

Langdons' core business revolves around its 1 to 5 pallet "fresh and frozen" consolidation network that caters to the wholesale, hotels, and retail grocery sectors.

In 2022, business volumes were impacted by the political and economic tensions in the country in the second half of the year, combined with a particularly high inflation rate.
The sharp increase in operating costs was mitigated by productivity improvements, with a particular focus on capacity management and a reduction in the use of temporary staff. The profitability of the UK operations is comparable to that of the French operations and is consistent with expectations.

On the environmental front, Langdons has switched to using biofuels to fuel its fleet in and around the city of London. The subsidiary thus contributes to the Group's policy of reducing carbon emissions and can offer sustainable supply chain solutions to its customers.

EUROPEAN CONSIGNMENTS

The Group's dedicated subsidiary, STEF Eurofrischfracht (EFF), operates on the market for intra-Community consignments on the North-South (consignments from Germany heading for France, Spain and Portugal) and South-North (consignments from Spain and France heading to Germany and Austria) routes. It provides its expertise to European manufacturers and large-scale retailers from its platform in Strasbourg.

2022 was impacted by:
* difficulties related to the geopolitical climate leading to rising fuel, electricity, and pallet prices for shipping goods;
* the decline in transport capacity across Europe, mainly due to delays in the supply of rolling stock and a shortage of drivers;
* the high inflation of transport costs linked to the price of materials and the increase in drivers' wages in Europe.

In this unprecedented setting, EFF has succeeded in ensuring the level of quality expected by its customers, while maintaining its economic results.

Note: The information on percentage changes in the French and International businesses by BU and by country is provided for informational purposes and has not been audited. The notes to the Group's consolidated financial statements present data by sector in accordance with IFRS 8: France, International and Maritime.

MARITIME

La Méridionale, the Group's maritime subsidiary, has four passenger-freight roll-on/roll-off vessels with a total capacity of 7,600 linear metres. It has nearly 600 employees, including 490 sailors.

OUTLOOK

* Corsica service: The continuity of operations with Corsica is ensured in a more advantageous way than previously with the allocation of two routes: Marseille-Ajaccio and Marseille-Porto-Vecchio as part of the new seven-year public service concession starting on 1 January 2023.

* Marseille-Tangier line: a restructuring of La Méridionale's international operations is underway. A new Managing Director was appointed, whose mission is to come up with a new strategic plan for this route.

* STEF Group has entered into exclusive negotiations with the CMA CGM Group regarding the takeover of its maritime operations organised around La Méridionale. The transaction is expected to be completed by 30 September 2023 at the latest, subject to the relevant authorities' approval.

Its activity is divided between:
* a public passenger and freight transport service between Marseille and Corsica, using ro-ro mixed passenger and cargo vessels. As part of this, in 2022, it provided services to the ports of Ajaccio and Propriano using two ships, the Piana and the Kalliste;
* route between Marseille and Tangier (Morocco) in the form of a regular cargo and passenger service using two vessels: the Pelagos and the Girolata.

In 2022, despite an increase in turnover to €104.5m (+16.4%), the results are well below the objectives.

While La Méridionale reached the expected performances for its crossings on the Corsica route, the situation was different for the Marseille-Tangier route, as La Méridionale did not find the right business model. The deviation in results is very significant in this segment, as a result of inadequate sales efforts, combined with other factors that are more difficult to predict (increase in fuel prices, overruns on the payroll, increases in port tariffs, additional costs for the technical shutdown of a vessel).

OUTLOOK FOR 2023

The increase in turnover and results achieved in 2022 will enable STEF to move forward confidently into 2023. STEF Group is committed to 2023 with prudence and discipline as inflationary pressures and fluctuations in energy and raw materials costs will persist, but also with enthusiasm and determination as 2023 will be the year of implementing its new strategic plan 2022-2026 "Committed to a sustainable future".

IN 2023, STEF GROUP WILL FOCUS ON:

* adapting its networks to changes in its markets and customers, by relying on digitalisation, innovation, information systems, and continually reinforcing its real estate capacities;
* finding solutions to control energy needs and secure low-carbon, competitive energy consumption in the long term;
* strengthening the "people care" human resources policy by focusing on the attractiveness of the Group's professions, developing skills, and building employee loyalty;
* deploying the "Customer Care" approach in order to fully support its customers in their transformation challenges;
* finalising a sustainable solution for the future of La Méridionale.

OTHER ACTIVITIES

The Group relies on two centres of expertise to perform its activities:
The Real Estate Division that manages the Group's real estate assets in Europe through the dedicated subsidiary, IMMOSTEF, and optimizes the Group's energy supplies through its subsidiary Blue EnerFreeze.
The Information Systems Division, which brings together the specialized teams responsible for software and digital tools under the subsidiary STEF Information et Technologies (STEF IT).

REAL ESTATE DIVISION

STEF Group has a long-standing policy of owning its real estate assets, notably through its real estate company **IMMOSTEF**.

As such, IMMOSTEF combines the skills dedicated to the acquisition, management, and development of real estate assets from design to commissioning. IMMOSTEF also manages the Group's assets and is involved in improving former operating sites that have become obsolete. Finally, IMMOSTEF is responsible for the technical and environmental maintenance standards for the buildings and facilities throughout Europe. It manages and coordinates continuous improvement and innovation projects in the field of real estate.

In 2022, the Group's real estate business was again very robust in terms of studies, construction, and site extensions throughout Europe. However, there has been a slowdown in launching new projects due to the sharp rise in construction prices, the shortage of materials and raw materials, the conflict in Ukraine, and the restrictions associated with the zero Covid policy in China.

Thanks to new acquisitions, leases and the delivery of new sites, at the end of 2022, the Group's real estate assets increased to 273 sites, representing a total warehouse volume of almost 11 million m^3 (10.8 million m^3) and a surface area of more than 570,000 m^2 of temperature-controlled quay areas and business premises.

MAIN PROJECTS DELIVERED IN 2022

IMMOSTEF supports the Group's development through acquisitions, new buildings, and re-engineering and renovation projects.

FRANCE

* New Frozen food site in Yffiniac (Saint-Brieuc): 40,000 m³ of storage.
* Expansion of the Chateaubourg (Rennes East) and Ifs (Caen) frozen food sites, with a total of 75,000 m³ of negative storage.
* Expansion of the TSA sites in Saint-Sever (Landes).
* 3,500 m² extensions at SeaFood sites in Boulogne S/Mer and Toussieu (East Lyon).
* New e-commerce sites in the Paris area: 5,000 m² in Lieusaint and 15,000 m² of tri-temperature space in Rungis.
* New site for Primever at Donzenac (Brive).

SPAIN

* Phase 1 of the Madrid-Alcala site (90,000 m³ in Frozen Foods).
* Malaga-Cartama site (40,000 m³ in Frozen Foods).
* Torrejón site (Madrid): extension of 5,000 m² in Fresh foods.

ITALY

* New transport site in Longiano (South Bologna).

BELGIUM

* New 15,000 m² Fresh Supply Chain site in Tubize (Brussels West).

At the same time, numerous calls for tenders, representing a total surface area of over 60,000 m² were launched and studies are underway for projects to be initiated in 2023.

ACQUISITIONS AND SALE OF LAND AND REAL ESTATE ASSETS

To proactively support the Group's development, STEF has implemented a structured approach to building strategic land reserves. By the end of 2022, land reserves in Europe were increased to over 144 hectares, compared to 130 hectares in 2021.

In addition to bare land or assets to be transformed, five transport platforms representing a total surface area of more than 12,000 m² were added to the Group's facilities in Trento (Italy) and Irun (Spain), as well as during the acquisition of TTC's business in north-western Spain (A Coruña, Vigo, and León). IMMOSTEF equally acquired the Frigosuisse site at Möhlin – Basel, representing more than 220,000 m³ for Frozen food. In addition, with the acquisition of Langdons in the United Kingdom, five sites representing more than 30,000 m² of buildings and 15 hectares of land were added to the Group's assets in 2022.
At the same time, there were four property disposals during the year: Kriens (German Switzerland), Thenon (24), Morlaix (29) and Chantepie (35).

Finally, as part of the European structuring of the Group's property management policy, real estate companies are gradually being created in the countries where the Group operates: In 2022, IMMOSTEF Switzerland and IMMOSTEF Nederland were established.

THE GROUP'S ENERGY MANAGEMENT

Blue EnerFreeze, IMMOSTEF's subsidiary dedicated to energy management, continued to grow, primarily through the creation of solar power plants.

As part of this, Blue EnerSun, a joint venture between Blue EnerFreeze (majority shareholder) and its partner StoreWatt, completed new solar power plants in Southern Europe and launched numerous projects in Italy, Spain, Belgium, the Netherlands, and France. The investments made in 2022 will provide an additional 26 MWp for the 2023 summer period, bringing the Group's total self-generation capacity to 48 GWh, or 10% of its annual electricity use.

These investments confirm that STEF is on the right track to achieving one of the objectives of its "Moving Green" approach: by the end of 2025, STEF will have 80 MWp of production capacity to generate 20% of the Group's total energy needs.

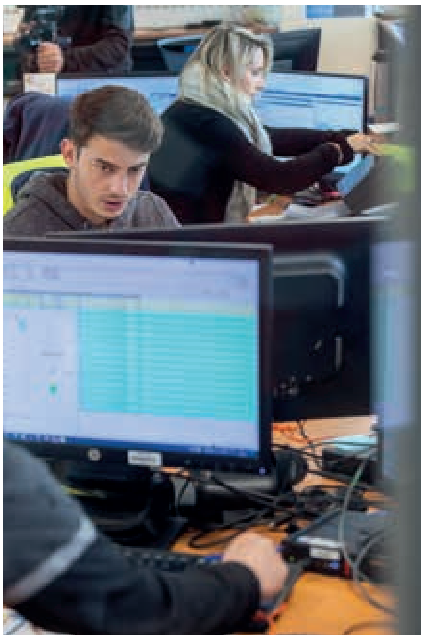
At the same time, Blue EnerFreeze subsidiaries in Spain, Portugal, and Belgium were set up to deploy the energy production and optimisation activities in these countries.

Blue EnerFreeze is also experimenting with solutions to secure long-term green, low-carbon, competitive energy for STEF. Representative of this approach, the Madrid Energy Lab is designed to explore industrial solutions for energy storage, green hydrogen production, and collective self-consumption.

Finally, Blue EnerFreeze offers its expertise to partner companies and Group customers.

INFORMATION SYSTEMS DIVISION

STEF Information et Technologies **(STEF IT)** designs software solutions and integrates and maintains the information systems that the Group needs to support its customers and improve the productivity of the business divisions:
STEF IT provides the changes to the SAP tool, used by the support functions;
STEF IT supports the Group in its digital transformation through innovative projects;
STEF IT produces applications for STEF's industrial and retail customers.



DIGITAL TRANSFORMATION

STEF IT is leading technological projects that are paving the way for the Group's digital transformation. For example:

- the deployment of a mobile app with all safety instructions and trip information to make life easier for drivers (STEF Driver);
- the creation of a tool for drivers to identify resources and manage docking priorities (STEF Dock);
- the development of an app for detecting and qualifying risk situations on platforms, in collaboration with prevention coordinators (ComputerVision);
- the testing of a warehouse media traceability solution (Smart Dock) in the Catering BU;
- a hackathon, whose theme was customer satisfaction, which involved nearly 70 participants and resulted in 9 innovative projects that will be progressively implemented.

Finally, as part of the agile approach, initiatives from the field have multiplied, some of which have been deployed at test sites. The following developments are worth mentioning:

- mobile delivery tracking app for Catering BU Customers;
- measurement of delivered Customer satisfaction;
- post-delivery error reporting and dispute tracking for the Catering BU;
- management of carrier appointments;
- supervision of storage racks in the Frozen food area;
- corporate social network for the Fresh Supply Chain BU.

PERFORMANCE SUPPORT FOR CORE AND SUPPORT FUNCTIONS

Priority was given to the completion and deployment of business IS projects centred around the TMS (Transport Management System) and WMS (Warehouse Management System) applications across the Group's geographical scope, to decision-making tools for support functions, and to investments in digital initiatives, where the challenges are a priority.

The paperless document solution has been finalised and secured. It now handles all the incoming consignments from the transport business.
The operational management of the distribution business was modernised by rolling out an ergonomic trucking app.
A new version of the tool for tracking schedules, locations and temperatures was made available to drivers, charterers, and major subcontractors.
The charging and billing tools were secured and modernised to ensure future maintenance and sustainability.
The use of the portal by all sending and receiving customers in Europe was enhanced with new features for transport and logistics businesses.
New features relating to e-commerce and receiving and preparation processes were added to the Group's WMS app.
SAP ERP has been fully deployed for all new customers of the Catering BU in France and all customers in Spain have been migrated.
An IS for the packaging business was built to be implemented within the Group's Packaging BU.

STEF IT supported the Group's core departments in order to enhance the efficiency, responsiveness, and quality of their actions. Several projects were successfully completed:

* for the human resources department: paperless processing of documents relating to the Group's employees (digital safes), deployment of automated pay review campaigns, continued implementation of an e-learning "MOOC" (courses accessible to everyone on the internet);
* for the finance department: further securing of banking transactions;
* for purchasing/supply departments: selection of an e-procurement software package;
* for business support services: new versions of the app that manages vehicle and handling equipment maintenance as well as the real estate assets in all the Group's countries in 2023.

CSR 2022

CONTENTS

INTRODUCTION

WORKING TOWARDS AN EVER MORE SUSTAINABLE AND RESPONSIBLE SUPPLY CHAIN

Since its creation, STEF Group has built its development model with the greatest respect for economic, human, and environmental balances.
Positioned at the heart of the food chain as the bridge between producers, distributors, and consumers, it is aware of its responsibility towards the planet and its major role in supplying the population.
That is why it decided to make a long-term commitment to building practical solutions to the challenges the world is facing. Over the past decade, it has achieved significant results.
Today, it is embarking on an even more profound transformation by placing its social, societal, and environmental responsibility at the heart of its strategic vision. Called **"Committed to a sustainable future"**, its new 2022-2026 strategic plan guarantees its social and environmental commitments and the acceleration of its ambitions and transformation.
In addition, it also positions STEF as a catalyst for change within its ecosystem to build a more sustainable future together.

Ecovadis: STEF's CSR commitments recognised for the 6th year in a row!
Among the strengths identified by EcoVadis: the stated commitment, the ambitious climate policy, the international approach, and the published and quantified monitoring indicators. STEF is thus ranked in the top 1% of companies in its sector, reflecting the Group's maturity in this area.

GOLD 2022 ecovadis Sustainability Rating

CHALLENGES AND STRATEGY

CSR POLICY

STEF's mission, which incorporates the notion of sustainability, fuels its strategic choices and business conduct and guides its commitments, especially in terms of CSR policy (see section on the Group's social value p. 68).

BUSINESS MODEL

STEF

WHOLESALERS

FOOD PRODUCERS

AGRI-FOOD INDUSTRIES

OTHERS

PRODUCERS BREEDERS FISHERMEN

OUR PURPOSE

Teams who are committed on a daily basis to guaranteeing safe and sustainable access to a diverse range of food for everyone.

A BALANCED BUSINESS PORTFOLIO

* National and international transport
* Logistics
* Packaging
* Maritime

OUR ASSETS

* 21,700 experienced and committed employees
* 20,000 customers who put their trust in us every day
* A recognised expertise in consignment management and food safety
* Strong ties in the regions
* Integrated real estate, IT and energy centres of expertise
* A culture of innovation
* A solid financial situation
* A stable share ownership comprised mainly of employees
* A long-standing societal commitment

OUR VALUES

* Enthusiasm
* Respect
* Reliability
* Performance

MEANS

* A unique network of over 270 multi-temperature sites
* A presence in 8 European countries
* More than 2,700 lorries and tractors
* 4 ships

RETAIL

WHOLESALE

E-COMMERCE

COLLECTIVE AND COMMERCIAL CATERING

CONSUMERS

HOW CAN WE CREATE SUSTAINABLE VALUE FOR OUR STAKEHOLDERS?

FOR OUR CUSTOMERS

* Finding targeted transport and logistics solutions to optimise their supply chain.
* Work together to build competitive solutions for their businesses and products.
* Contribute to their environmental commitments through our capacity to consolidate consignments and to an increasingly ethical fleet.

* 20 million tonnes of food products transported/year.
* 110,000 deliveries/day.
* 9 types of Business Units.

FOR OUR EMPLOYEES

* Take pride in being part of a group with a noble mission: helping to feed people.
* Experiment with a differentiating equal opportunities and internal promotion policy.
* Benefit from a respectful remuneration policy and working conditions.
* Develop skills and employability.
* Be able to find a job close to where they live and as close as possible to the regions.

* Nearly 4,000 people recruited per year.
* Nearly 60,000 training hours (by IMF)[1].
* 9.45 training hours/employee.
* Over 80% of management positions filled through internal promotion.
* Personalised career development defined by annual appraisals.

FOR OUR SUPPLIERS AND PARTNERS

* Be able to rely on stable, long-term relationships.
* Responsible and ethical cooperation.
* Support for environmental transition.

* 294 (out of 347) new contracts signed with a sustainable purchasing policy in France.

FOR PUBLIC AUTHORITIES

* Be involved in the vibrancy, economic life and financing of the regions in line with our commitments, particularly for the neighbourhoods covered by the city policy.
* Become part of the associative fabric food aid and integrating people who are furthest removed from the job market.
* Work with the regional authorities to build the logistics solutions of the future (multi-modal, sustainable urban logistics).

* Agreements with public employment services, including local agencies and EPIDE employment organisations, but also with the associations: Sport dans la Ville, Nes & Cité, ARPEJEH...
* Commitment to the professional integration of refugees.
* Multi-year commitments with Restaurants du Cœur in France and Banco Alimentario in Spain.
* An internal structure including 50 Sustainable Urban Logistics contacts spread throughout the regions.

FOR OUR SHAREHOLDERS

* Focus on the long-term development and sustainability strategy.
* Be part of a unique shareholding model which puts employees at the heart of the company's capital.
* Propose a regular redistribution policy.

* 12,800 employee are Group shareholders through the FCPE.
* 17.84% of the share capital held by employees.
* A steady growth in dividends in line with the trend in the Group's performance.

FOR SOCIETY AND THE PLANET

* Every day ensure the food safety of the products consumed.
* Commitments for the energy transition of the supply chain sector through the Moving Green plan.

* 16,433 FS[2] training hours in 2022.
* 3,148 vehicles equipped with temperature alarms (2022 data).
* Programme of climate commitments audited annually.
* Signing of the AFILOG Charter with the French government for the environmental and economic performance of logistics facilities.

[1] IMF: Institut des Métiers du Froid, the Group's in-house training organisation.
[2] FS: Food Safety.

CHALLENGES AND COMMITMENTS

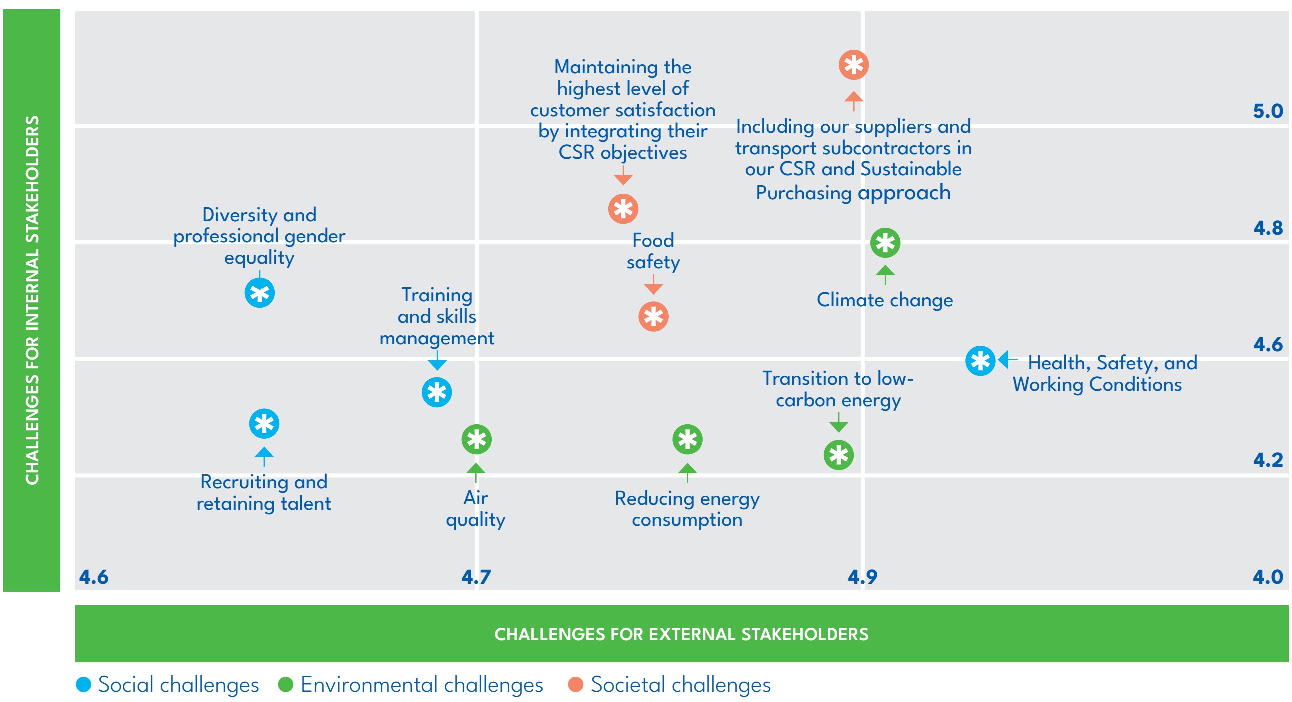
CSR PROCESS MANAGEMENT

Driven by the Group's Executive Management, STEF's CSR policy is in line with the company's general strategy, taking into account the expectations of the Group's identified stakeholders. In its strategic aspects, it is discussed and approved by the Board of Directors once a year and is the subject of several working and follow-up sessions by the Executive Committee. On a day-to-day basis, it is jointly led by the Sustainable Development Department, assisted by a dedicated Steering Committee, and the Social Responsibility Department.
Each core department involved in the Group's approach (Food Safety, Transport Subcontracting, Purchasing, Communications) is deploying its own approach, establishing its own roadmap, tools and methods to implement them, as well as its own key performance indicators. Each operational unit has a network of advisors for each country or business unit.

METHODOLOGY AND IDENTIFICATION OF SOCIAL, SOCIETAL AND ENVIRONMENTAL RISKS

STEF Group has identified its CSR challenges and risks in order to better prevent and control them, by developing a materiality matrix and conducting a risk analysis.
The Group updated its materiality matrix at the end of 2021 to take into account changes in the expectations of its internal and external stakeholders. Employees, experts, customers, partners (service providers, suppliers, subcontractors, associations, professional organisations) and civil servants from regional authorities shared their vision of STEF's major CSR challenges, by questionnaire or telephone interview.
In order to gain a comprehensive view of the issues that the Group needs to address, the materiality matrix results were compared with a CSR risk analysis conducted by its internal specialists. To do this, they used their technical expertise, their knowledge of the Group, and the ISO 26000 standard (including the French version of the "CSR Logistics Reference System", produced by the Directorate-General for Infrastructure, Transport, and the Sea).

STEF GROUP'S MAJOR CSR CHALLENGES



STEF GROUP'S MAJOR CHALLENGES

The major CSR issues resulting from this work can be linked to several of the 17 UN Sustainable Development Goals (SDGs). Overall, the Group's CSR actions make a positive contribution to 12 of the 17 SDGs.

AIR QUALITY

Risks

Air pollution generates a risk for human health locally. It:
- can be caused by our operations;
- has an impact on our operations (deliveries in low emission zones).

Challenges

Helping to protect the health of individuals, making our operations more sustainable in restricted areas and satisfying the expectations of our stakeholders.

Policies

Frequently replace our vehicle fleet to take advantage of the most efficient technologies, test more ethical alternative technologies particularly in terms of fine particle and nitrogen oxide emissions.

SDG

REDUCING ENERGY CONSUMPTION

Risks

Failure to control the energy consumption of our buildings and vehicles can lead to an increase in our carbon footprint, an inability to provide service to our customers and a significant impact on the Group's profitability.

Challenges

Controlling all energy consumption at Group level to limit our environmental impact, limit associated costs, and ensure continuity of supply.

Policies

Certification of the ISO 50001 standard in France and deployment of the energy management system in the countries where the Group operates.

SDG

TRANSITION TO LOW-CARBON ENERGY

Risks

Not reducing our carbon dependency exposes us to two risks:
- having a negative impact on climate change;
- being subject to coercive regulatory changes on the use of carbon-based energy.

Challenges

Making our operations sustainable in a climate where access to carbon-based energy is becoming more complex and impacts our business model, making them compatible with climate issues and aligning them with our stakeholders' expectations.

Policies

Identify and deploy the low-carbon energy needed for our vehicles and buildings.

SDG

CLIMATE CHANGE

Risks

Climate change generates a risk for all the planet's ecosystems. It:
- is impacted by our operations;
- has an impact on our operations (increased outdoor temperatures generate an increase in energy requirements for refrigeration, extreme climate events, regulatory changes on energies that can be used for our vehicles).

Challenges

Making our operations sustainable in a climate context that will change and impact our business model, keeping them compatible with the climate emergency and aligning them with our stakeholders' expectations.

Policies

Test and deploy new, more ethical solutions for the environment, enabling us to control our consumption while reducing our greenhouse gas emissions.

SDG

"MIX'UP": DEPLOYMENT OF THE PROFESSIONAL GENDER EQUALITY APPROACH

Risks

Failure to take into account the challenges of professional diversity could hinder the Group's development given the expectations currently being expressed both inside and outside the company.

Challenges

Growth strategy with development in European countries.

* Having the number and quality of human resources/talents necessary for our growth (development).
* Raising STEF to a European standard of exemplarity in line with societal changes.

Policies

* The fundamental principles: mobilise, train teams, measure our progress.
* Business mix: increase the professional mix to support our European development.
* Working conditions and QWL[3]: improve our working conditions and quality of working life to make our jobs accessible to everyone.

SDG

HEALTH, SAFETY, AND WORKING CONDITIONS (HSW)

Risks

Impacts on the physical and mental health of employees can occur as a result of poor or underestimation of their exposure to occupational risk factors and inadequate management of the prevention and/or handling of these risks.

Challenges

Protecting the physical and mental health of employees and promoting their fulfilment at work by enabling them to participate in improving their working conditions.

Policies

Ensure the Health and Safety of employees and participate in improving working conditions:

* train, manage and communicate about HSW at all levels of the company;
* analyse risk factors, causes of work accidents and occupational illnesses and implement the necessary preventive and corrective actions;
* adapt buildings, processes and tools;
* implement the necessary conditions to protect the physical and mental health of our employees.

SDG

RECRUITING AND RETAINING TALENT

Risks

The failure of human resources to adapt to changes in activities and processes may jeopardise the continuation and development of STEF's business.

Challenges

Having resources that match the Group's needs.

Policies

* Develop the attractiveness of all our jobs by increasing the visibility of our employer brand and our presence in all recruitment channels.
* Ensure a constructive social dialogue, diversity in the teams, the quality of working life and provide an opportunity to hold capital in the company, to build loyalty among employees.

SDG

[3] Quality of Working Life

TRAINING AND SKILLS MANAGEMENT

Risks

A lack of training and skills management exposes the Group to the risk of not being able to adapt to changes in the business and to the loss of employee motivation.

Challenges

Remaining competitive in the market, retaining our employees by allowing them to develop.

Policies

Identify and improve the potential of our employees through development paths.

SDG

FOOD SAFETY

Risks

A failure to control operations may damage foods with the risk of affecting consumer health.

Challenges

Ensuring optimal storage and transport conditions for foods in order to protect consumer health and contribute to the development and reputation of STEF's customers.

Policies

Implement actions that allow the integrity of goods, the cold chain, hygiene and the deadlines and dates in the operational and logistics processes to be respected.

SDG

MAINTAINING THE HIGHEST LEVEL OF CUSTOMER SATISFACTION BY INTEGRATING THEIR CSR OBJECTIVES

Risks

A drop in the quality of customer service, combined with a failure to integrate their CSR issues, could lead to a decline in customer satisfaction and, in the longer term, a loss of trust.

Challenges

Ensuring that we understand our customers' CSR expectations and that we are prepared to meet their needs, and in some cases to anticipate them by being proactive.

Policies

Maintain operational trust by delivering on the customer promise. Establish relational trust by personalising the customer relationship.
Integrate our customers' CSR issues into the way we respond to their needs by making our CSR approach an aspect that sets our services apart.

SDG

INCLUDING OUR SUPPLIERS AND TRANSPORT SUBCONTRACTORS IN OUR CSR & SUSTAINABLE PURCHASING APPROACH

Risks

Working without including our suppliers would expose us to the risk of losing visibility and implementing innovative solutions. Not including our transport subcontractors would deprive us of a positive CSR impact on our value chain.

Challenges

Developing collaborative strategies with our suppliers and transport subcontractors to:

* maintain our position as an innovative leader in CSR;
* ensure that CSR is taken into account throughout our value chain.

Policies

Implementation of a CSR policy for suppliers other than transport subcontractors by the purchasing department.
Creation of a Group Transport Subcontracting Department that includes CSR parameters in its tasks.

SDG

STAKEHOLDERS

In order to take into consideration the expectations of its various stakeholders, STEF maintains a robust, regular dialogue with each of them. The aim is to work together to find the best responses and make progress together.

STAKEHOLDERS	ASSOCIATED ISSUES
EMPLOYEES	Protect the health of employees within the framework of their job. Have the resources (in terms of number and skills) that match the Group's needs. Motivate employees and involve them in the Group's performances.
CUSTOMERS	Offer a service that enables our customers to develop their business by entrusting the transport, logistics, and packaging of their products to a reliable partner, able to respect the integrity and food safety of their products, while respecting their consumers.
SUPPLIERS	Build a partnership relationship which enables the Group to benefit from the best services and innovations in each of its businesses.
PUBLIC AUTHORITIES	Share our issues in the transport, logistics and packaging industry in order to inform public decision-making in this area.
PROFESSIONAL ORGANISATIONS	Work together with the profession on the developments and future of the sector.
REGIONS AND COMMUNITIES	Share the challenges of supplying populations by finding suitable solutions for each context together, making it possible to develop the Group's local base and create jobs, while improving citizens' perception of our activities.
EMPLOYMENT PARTNERS	Take action to promote professional integration, particularly for the youngest and most vulnerable individuals.
SCHOOLS AND UNIVERSITIES	Introduce the Group's sector and jobs and increase its attractiveness to new generations.
AGENCIES AND ASSESSMENT AND INSPECTION BODIES	Using ratings, enable the Group to compare itself and improve its action on various issues.
FINANCIAL PARTNERS	Continue the Group's development by having access to the best financing.
SHAREHOLDERS	Be transparent when informing the Group's shareholders of its development and increase STEF's independence by strengthening its employee shareholding to ensure its long-term viability.

ENVIRONMENT

THE GROUP'S OPERATIONS ARE USED TO SUPPLY PEOPLE WHEREVER THEY ARE, SOMETIMES FAR FROM THE PRODUCTION AREAS. Its objective is to supply them in an increasingly sustainable manner and to respect the planet's limits. STEF has been committed to reducing its impact on the environment for over 15 years and is working to limit the impact of its operations, investing in ever more sustainable logistics in order to build the future supply chain. In 2022, in order to adapt its commitments to its stakeholders' expectations, the Group updated its list of major issues and integrated its priorities into the environmental section of the Group's 2022-2026 strategic plan, called **"Planet Care"**. Beyond the initiatives resulting from decisions made in previous years, its actions have focused on 4 major issues.

AIR QUALITY

In order to protect the people's health and reduce its environmental impact, STEF continues to replace its vehicle fleet and improve the performance of its vehicles' engines and refrigeration units. These measures enable it to respond to the requirements of the low emission zones (LEZ) established in many European cities.

REGULAR REPLACEMENT OF THE VEHICLE FLEET

Committed for more than 15 years, this approach allows STEF to benefit from the latest advances in this area and to post results in 2022 that place the Group on the top of the list of the most virtuous transporters: with 94% of the fleet meeting the Euro VI standard, STEF's impact on air quality has reached the highest possible level using the technologies available to date. In 2022, pollutant emissions will be further reduced by 29% (NOx + hydrocarbons) and 40% (fine particles) compared to 2019.

STEF's vehicle replacement policy makes it possible to improve the fleet every year, by integrating vehicles linked to external growth operations.

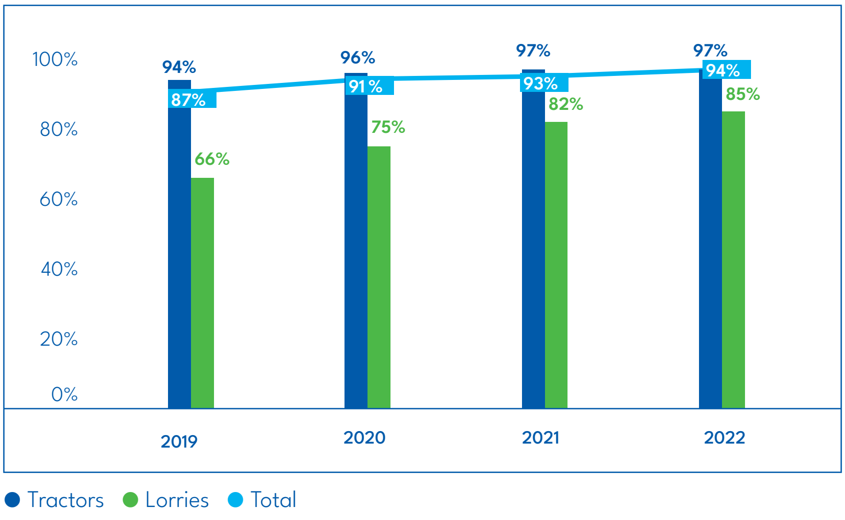
A Euro VI vehicle produces:

80% less nitrogen oxide;

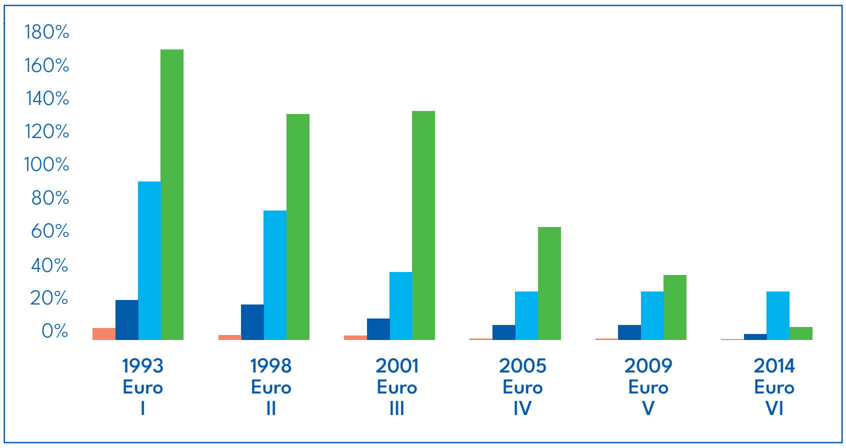
50% less fine particles;

70% less hydrocarbons than a Euro V vehicle.

% of STEF vehicles that are Euro VI



Changes in emission limits for Euro standards
(trucks, buses and coaches - Base 100 in 1993)



● Fine particles ● HC ● CO ● NOx

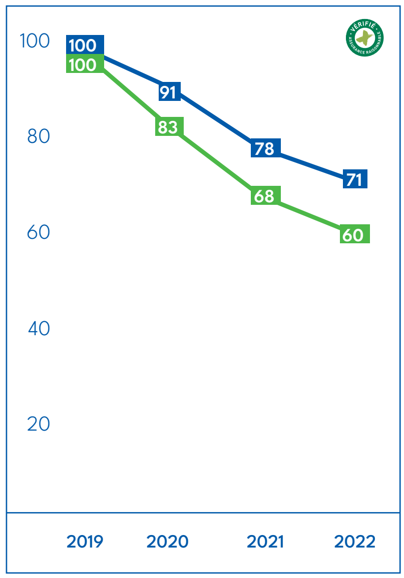
TECHNOLOGICAL INNOVATIONS

The Group's vehicle policy is geared to technological advances. In particular, it invests in “Engineless” refrigerated equipment (see box) on new lorries. Its teams also participate in several working groups with manufacturers to develop innovative solutions. The actions taken to reduce vehicle consumption (see p. 51) also contribute to reducing emissions of air pollutants. Finally, the Group is working closely with professional organisations, associations, and local authorities to support the implementation of LEZs. (See also p. 89).

“Engineless” electric refrigerated units powered by the vehicle's engine

Since 2021, STEF has been installing these electric refrigerated units on all its new lorries. They run more quietly and provide more CO_2 friendly cooling, while producing the same amount of cooling.

Change in emissions of pollutants (NOx, HC) and particles per t.km emitted by Group vehicles (base 100 in 2019).



● g(NOx+HC)/t.km ● mg.part.t.km

The gradual replacement of on-board refrigeration units with more recent equipment and “engineless” equipment, combined with the replacement of vehicle engines with more efficient and less polluting standards, will make it possible to significantly reduce emissions of air pollutants.

REDUCING ENERGY CONSUMPTION

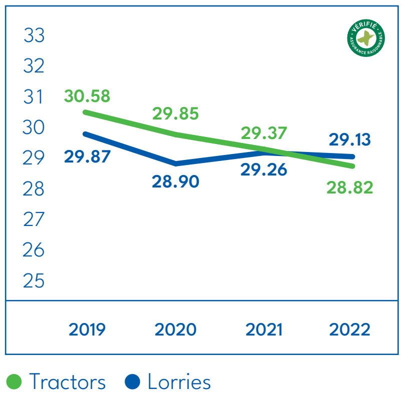
STEF's food transport and storage business is highly dependent on fossil fuels to run its temperature-controlled vehicles and cool its warehouses. Energy consumption is the Group's second largest expense item: optimising it is a key issue, both environmentally and financially, especially in the current context. Once again this year, thanks to the ISO 50 001-certified Energy Management System (EMS) in France, energy performance improved by 4.2% in buildings and fuel consumption fell by 1.9% for tractor vehicles and 0.4% for lorries. Like the results obtained in France, the extension of the EMS to the Group's other countries should make it possible to reduce its electricity consumption by at least 15% by 2025.

VEHICLE FUEL CONSUMPTION DOWN

By optimising its consolidation model and using increasingly efficient vehicles, STEF has reduced fuel consumption in France by nearly 6% for its lorries[(4)] since 2019. While this performance is partly linked to the ongoing improvement of its rolling stock (energy-efficient engines, aerodynamic vehicles, thermal insulation of refrigerated boxes, fuel-efficient tyres, etc.), it is also the result of the in-depth work done on driving habits. In addition to the simple calculation of the fuel quantities consumed, five parameters are now taken into account to evaluate driving (over-speeding, engine time with the vehicle idling, emergency braking, speed anticipation and stability).

The efforts made to improve driving habits are bearing fruit and support the results obtained due to technological improvements in vehicles (engines with better energy performance).

Changes in diesel consumption of STEF France own fleet (L/100km) (excluding vehicles with "engineless" refrigeration units).



1 kg transported by a heavy goods vehicle generates:
6 times less GHGs;
2 times less fine particles
in the atmosphere than 1 kg transported by a light vehicle.

The Group's model is based on its consolidation activity

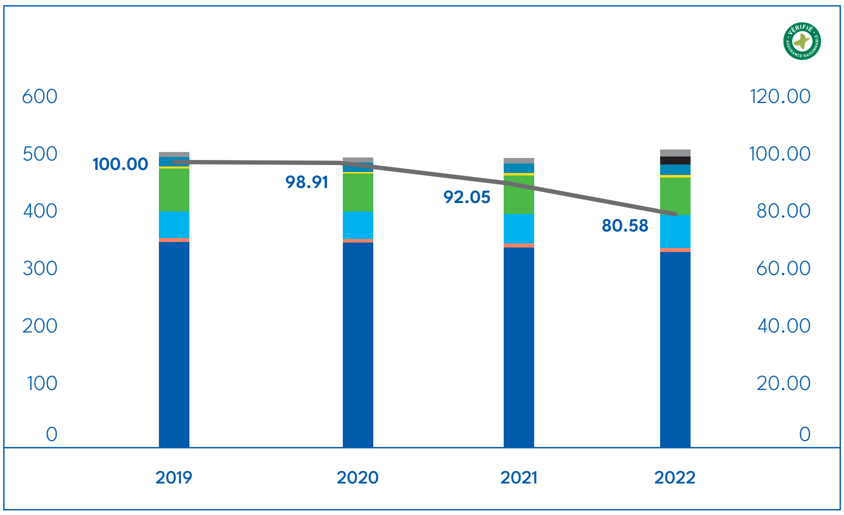
This makes it possible to optimise transport schemes, to consolidate loads in vehicles, and to reduce the environmental impact of transport operations. Fewer trips = fewer kilometres travelled!

(4) Diesel consumption, excluding engineless vehicles and consumption of alternative fuels.

BUILDING ENERGY CONSUMPTION DOWN

From the outset, STEF has chosen to retain control over building its platforms. As a result, it has developed dual expertise in construction and in managing cold production, leading to a 30% reduction in energy consumption in less than 10 years.

Overall electricity consumption of buildings and consumption/ton spent at berth



France Belgium Spain Italy The Netherlands Portugal UK Switzerland
kWh/docked tonne.

The slight increase in overall consumption is related to external growth operations and integrating their consumption data into the Group's. The efforts made in terms of energy savings have led to a significant reduction in consumption per docked tonne this year.

AI control of refrigerated facilities

STEF has developed its own system to support the management of its refrigerated facilities using Artificial Intelligence. It makes it possible to optimise the times and periods of cold production based on outside temperatures, activity forecasts, and also the cost of electricity. This system is gradually being extended to all the Group's sites.

TRANSITION TO LOW-CARBON ENERGY

STEF is reducing its dependence on fossil fuels to contribute to achieving the European objectives of Carbon Neutrality in 2050 ("Green Deal") and to comply with the 2°C trajectory defined by global experts (COP 21 - Paris Agreements). Its approach covers both vehicles and buildings.

VEHICLES: BIOFUELS AS A TRANSITIONAL ENERGY

STEF has been involved for several years in a structured programme of alternative energy experimentation and has chosen to focus on available low-carbon energy sources.

* Oleo100 Biodiesel - This fuel is directly compatible with conventional combustion engine technology. This renewable energy from French rapeseed, which is available without any direct risk of land-use change, reduces GHG emissions by 60% compared to diesel. In 2021, STEF and Saipol (Avril Group) signed a contract to supply 1/3 of the heavy goods vehicle fleet with Oleo100.

* Biogas - Produced by recycling bio-waste (agricultural waste, sludge from waste water treatment plants and food residues) using anaerobic digestion, biogas can reduce GHG emissions by 80% compared with diesel. STEF is introducing bioNGV vehicles in low emission zones (LEZ).

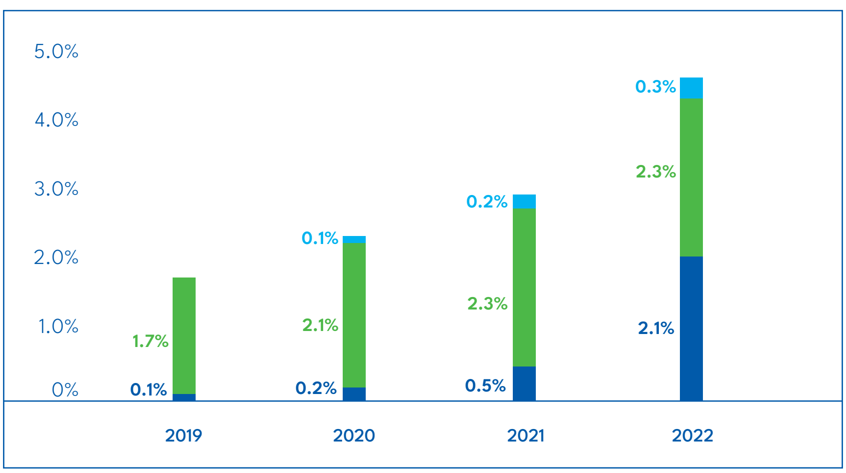
* Electric vehicles - STEF is working with manufacturers to make these vehicles compatible with its operating constraints. To date, the limitations are mainly related to range and recharging time, especially for refrigeration use. However, STEF continues its policy of ongoing testing in this area.

Encouraging alternative fuels

Oleo100 biodiesel: target of **30%** of STEF's fleet equipped by 2025. This would result in > **100,000 tonnes** of CO_{2e} saved by 2025.

Biogas and electric vehicles: target of **25%** of STEF lorries equipped by 2030.

% of vehicles using at least one alternative energy source to diesel and/or off-road diesel in the STEF fleet



● Alternative energy for mobility ● Alternative energy for cold production
● Alternative energy for mobility and cold production

BUILDINGS: SOLAR ENERGY GAINS GROUND

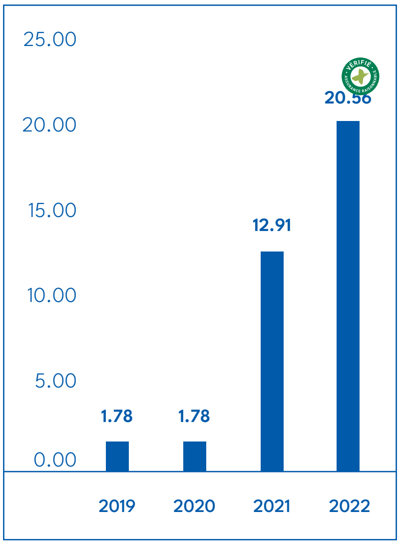
In addition to efforts to optimise and reduce its energy use, STEF is progressively replacing the high-carbon portion of its electricity mix with low-carbon energy[5].

✱ **Installation of solar panels** - STEF has chosen to develop its own energy generation by installing photovoltaic panels. Blue EnerFreeze, IMMOSTEF's dedicated energy management subsidiary has joined forces with a partner to create Blue EnerSun and operate photovoltaic power plants. At the end of 2022, the Group has 31 power plants operating with an installed capacity of nearly 21 MWp (plus more than 15 MWp already under construction). They will produce nearly 25 GWhs per year, representing a 60% increase in the Group's production capacity compared to 2021.

✱ **Implementation of Power Purchasing Agreements (PPA)** – This type of contract - with a guarantee of origin for energy produced from renewable or low-carbon sources - represents 8% of the Group's total consumption.

✱ **EnergyLab** – Set up in Madrid in 2022, the EnergyLab project will explore and master different techniques for producing and using green energy. The aim is to provide a testing ground for producing green hydrogen from solar panels, for storing energy in the form of hydrogen and/or cold storage, for using hydrogen for handling equipment, and finally for sharing electricity use.

Installed power of solar power plants (MWp)



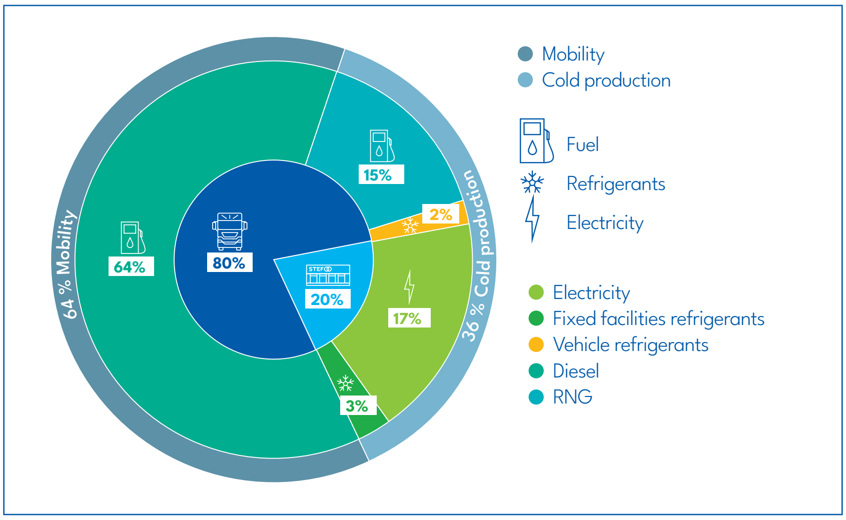
[5] Electricity generated from non-fossil fuel energy (*i.e.* renewable or nuclear) is considered low carbon.

REDUCING GREENHOUSE GAS EMISSIONS

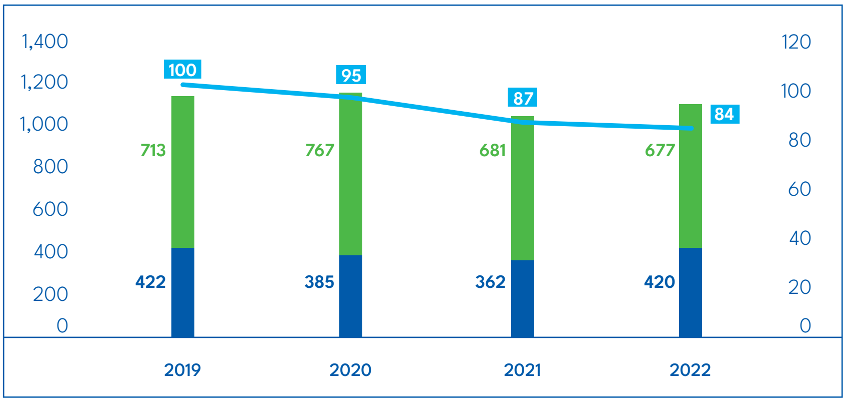
Climate change is a major global issue. The Group has been involved in an energy transition process for many years and has decided to give fresh impetus to its climate approach. Launched in 2021 under the name “Moving Green”, it reflects its ambition to address climate issues and reduce its dependence on fossil fuels. Equipped with resources and a dedicated organisation, its strength is that it is supported by all employees as well as by the Group's management bodies. Due to the specific nature of STEF's temperature-controlled (-25°C to +15°C) transport and logistics activities, “Moving Green” focuses on four main issues:

- sustainable mobility;
- a more sustainable refrigeration;
- support for transport subcontracting;
- employee involvement.

Distribution of STEF's GHG emissions from its own resources in 2022 (scopes 1 and 2)



GHG emissions 2022 scopes 1, 2, and 3



● STEF (Scopes 1 and 2) ● Transport subcontracting (Scope 3)
—— $kgCO_2/t.km$ (base 100 in 2019 excluding transport subcontracting)

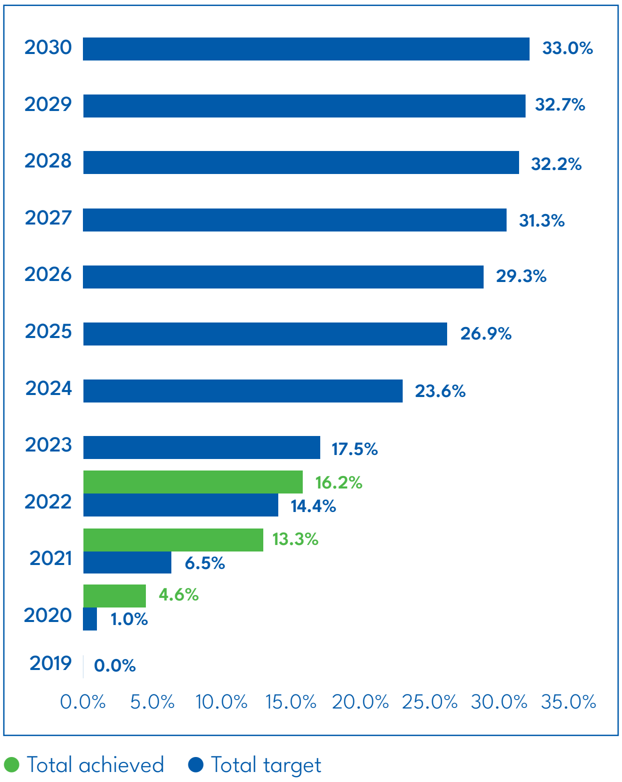
The increase in the Group's GHG emissions (in absolute terms for Scopes 1 and 2) is linked to the integration of new businesses. The UK businesses added to those of the other external growth operations represent more than 60 $ktCO_{2e}$. On a like-for-like basis, the Group's carbon footprint for Scopes 1 and 2 in 2022 is 360 $ktCO_{2e}$, which represents a decrease compared to previous years.

“MOVING GREEN”: INITIAL RESULTS! In 2022, the action plans continued in accordance with the defined roadmap. The ambition is both to minimise STEF's impacts and to anticipate the effects of climate change on the Group's activities.

TARGET 1

REDUCE OUR VEHICLES’ GHG EMISSIONS BY 30% BY 2030 (in gCO_{2e}/t.km, reference year 2019).

Reduction in the GHG emissions of STEF’s vehicles (GHG emissions/t.km - reference year 2019) [6]



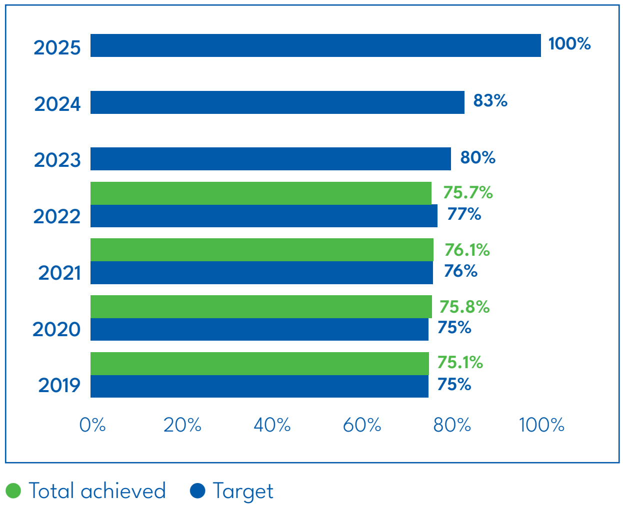
OUR PROGRESS IN 2022

* Longer delivery times for manufacturers have limited the number of alternative energy vehicles put into service.
* Despite this, fuel consumption gains combined with optimised transport schemes and vehicle fill rates are keeping STEF on track to reduce its relative transport emissions.
* The work done on the other factors (refrigeration unit optimisation and driving habits) makes a significant contribution to reducing emissions.

TARGET 2

USE 100% OF LOW-CARBON ELECTRICITY[7] AT THE SITES IN 2025.

STEF low-carbon electricity consumed



OUR PROGRESS IN 2022

* The slight decrease in the proportion of low-carbon electricity is explained by a decrease in the purchase of guarantees of origin in Spain in 2022 and the integration of sites resulting from external growth operations.
* The ramping up of the subsidiary Blue EnerSun, dedicated to deploying solar power, has enabled STEF to double its self-generation capacity in 2022.

[6] Depending on the delivery rate of alternative vehicles, the -30% target could be reached as early as 2027.

[7] Low-carbon electricity = renewable or nuclear electricity.

MOVING GREEN

TARGET 3

ESTABLISH A PROCESS OF SUPPORTING TRANSPORT SUBCONTRACTORS (TS).

OUR PROGRESS IN 2022

Changes in this area are detailed in the paragraph on transport subcontracting. However, it is worth noting:
* support for French TS through the activation of CEE (Energy Savings Certificates) for upgrading their equipment;
* setting up a leadership organisation for managers;
* the creation of tools for monitoring and supporting TS (inventory of available technologies and associated economic and climate impacts, audit grid).

TARGET 4

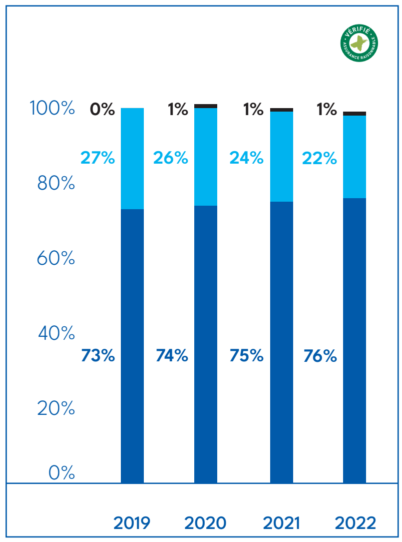
MAKE EACH EMPLOYEE RESPONSIBLE FOR REDUCING THE CARBON FOOTPRINT IN THEIR PROFESSIONAL AND PERSONAL LIVES.

OUR PROGRESS IN 2022

The actions focused on training and raising the teams' awareness in order to mobilise them and encourage them to act via:
* workshops led by Carbone 4 for managers, sales staff and internal experts;
* the launch of the "Climate School" which allows all connected employees to access a shared pool of knowledge on sustainable transformation. These e-learning courses have been made mandatory for executives;
* the deployment of Group-wide programmes such as the extension of the "Plastic Free" programme launched in Italy to France.

In addition to these four objectives, the Group is pursuing its plan to replace refrigerants with those with a low global warming potential.

Breakdown of refrigerants by type in Group fixed facilities



● Natural fluids ● HFC ● HFO

Natural fluids have a global warming potential 1,000 to 4,000 times lower than HFCs.

Ecovadis Carbon Scorecard

Advanced - Integrated in 2022 by the rating agency in its assessment, this new criterion recognises STEF's climate policy as having reached an advanced level, especially as a result of its published reduction targets and its action plan to ensure a transition to a low-carbon business model.

OTHER ENVIRONMENTAL ISSUES RELATED TO THE ACTIVITIES

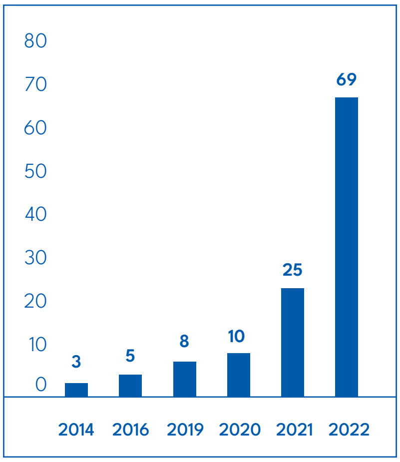
BIODIVERSITY

Protecting biodiversity is also a challenge for STEF, a signatory of the AFILOG[8] Charter since 2021. The Group is strengthening its approach to anticipate future regulations, particularly on land artificialisation:

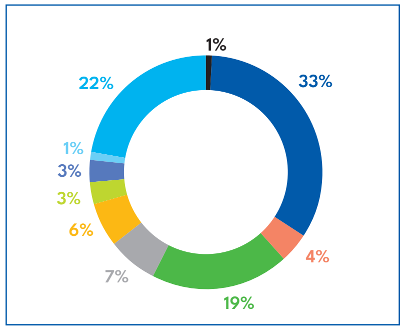
* **environmental impact analysis** prior to the location and construction of the Group's real estate projects, implementation of biodiversity protection measures specific to each project;
* **monitoring procedures** for the operation of facilities and compliance with the applicable regulations in every operating country;
* **greater collaboration with STEF's real estate division** to include biodiversity issues in all the Group's real estate projects.

Thus, in 2022, various facilities promoting the development of biodiversity were set up at 44 STEF sites.

Number of developments supporting biodiversity (cumulative since 2014)



Type of existing facilities



* Composting
* Eco-patterning
* Water management
* Distinctive management of green spaces
* Insect hotels
* Birdhouses
* Permeable car park
* Vegetable garden
* Reduced lighting at night
* Beehives

[8] French association of logistics real estate professionals: STEF participated in drafting this charter of reciprocal commitments with the French government to promote the economic and environmental performance of logistics real estate.

STEF Biodiversity initiatives

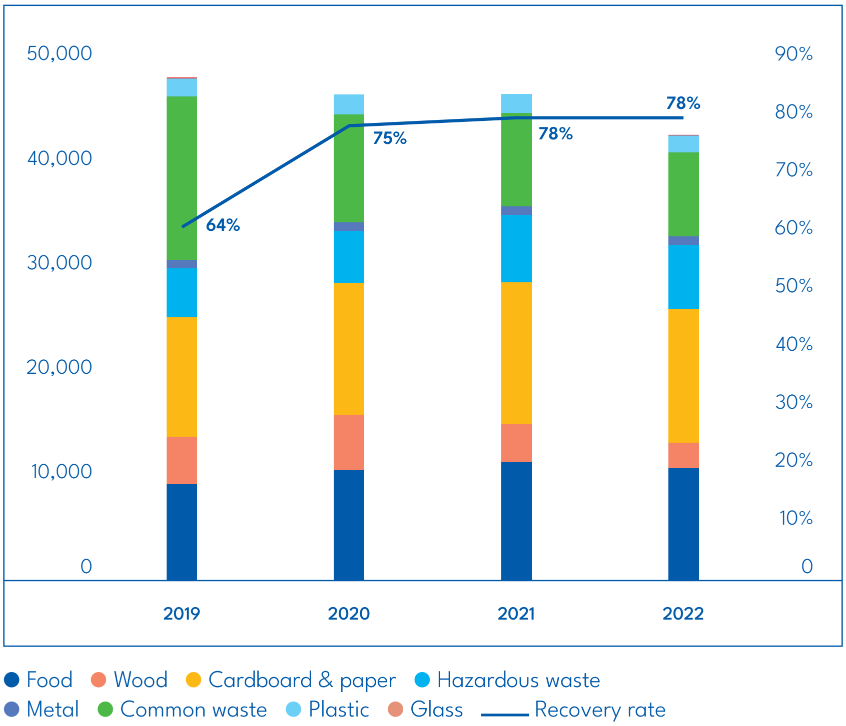
To adapt to the local context of the Group's various sites, the proposed facilities are wide-ranging:

* **fauna, flora and the buildings:** eco-pasturing, installation of beehives and participation in local pollination, bird nesting boxes, company vegetable gardens, green spaces, ponds, reduced lighting at night…;
* **water:** phyto-purification, permeable car parks, green roofs and façades;
* **waste:** sorting and composting of bio-waste in the offices, “zero bottle and plastic cup” policy.

CIRCULAR ECONOMY AND WASTE MANAGEMENT

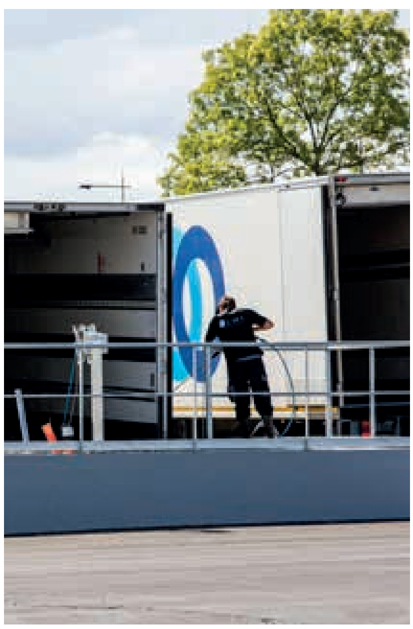
The quantities and types of waste produced by the Group's operations are limited. STEF strives to implement "Reverse Logistics" processes to optimise transport schemes and vehicle occupancy rates, and thus promote the circular economy.
This is especially the case in the Out-of-Home Foodservices BU and the SeaFood BU, which collect co-products for recovery.
At sites operated by STEF, non-hazardous waste is sorted on site or directly by service providers for recovery through material or energy recycling. The production of hazardous waste is restricted to the maintenance of rolling stock. Such waste is collected and processed in compliance with the regulations in the operating countries.

Breakdown of waste by type (tonnes/year) and recovery rate for non-hazardous waste



SOURCES OF POLLUTION/ INCIDENTS

Sources of pollution/incidents are strictly defined by regular internal audits of all the Group's sites concerning the safety of people and property, and compliance with instructions and technical procedures. Each site has an emergency plan that includes an "accidental spill" section to deal with incidents.



WATER

Water resources are used for the Group's cold production and vehicle washing processes. The cooling facilities are designed to limit water use and the car washes are equipped with devices to optimise use and control discharges.
Effluents from the sites are regularly monitored in accordance with applicable regulations.

MARITIME

STEF's maritime activities are subject to a specific environmental process. As a pioneer in environmental protection, La Méridionale is innovating to reduce the environmental impact of its crossings.

Particulate filter

After a testing phase of the process, La Méridionale has equipped its Piana engines (propulsion and generators) with a particle filter. This filter has the dual advantage of eliminating sulphur oxides and fine and ultrafine particles. With this equipment, the Piana is anticipating the 2025 regulations on sulphur emissions, which will reduce the sulphur content of fuels in the Mediterranean. The Pelagos vessel is also equipped with a flue gas cleaning system. Operating in a closed loop, the ship does not discharge any waste into the sea.

Quayside electrical connection (CENAQ)

La Méridionale commissioned the quayside power connection in the port of Marseilles in 2017. It is the first shipping company in the Mediterranean to use this solution for 3 of its ships. This equipment makes it possible to reduce diesel consumption at the quayside, eliminate emissions linked to exhaust gases, and limit noise and vibration pollution on board and in the immediate surroundings.

Protecting biodiversity in the Mediterranean

After having been a forerunner by participating in developing the REPCET system (REPérage des CETacés - Spotting Cetacea), La Méridionale became involved in the LIFE SEADETECT project. This is a European project whose aim is to detect and automatically identify cetaceans in an international legislative context that includes creating two Particularly Sensitive Sea Areas (PSSAs) in the Mediterranean.

Green Marine Europe Label

As a winner for the third consecutive year, La Méridionale has been involved in the label since it was created in 2019. Joined by major container and passenger shipping companies, the label requires continuous improvement from applicants on eight environmental criteria.

GREEN MARINE EUROPE CERTIFIÉ

LOOKING TOWARDS THE FUTURE

Adapting to climate change!

Not only does STEF anticipate the effects of the Group's activities on the climate, it also anticipates the effects of climate change on its own activities. There are two types of risks associated with climate change: physical risks, *i.e.* all the direct impacts of climate change that affect the conditions in which the Group operates (increase in the intensity and frequency of extreme climatic events - heatwaves, flooding, soil shrinkage, etc.) and transitional risks, *i.e.* the indirect impacts resulting from the transition to a low-carbon economy (energy conservation plans, economic conditions for access to energy, changes in the food products produced by its customers, etc.).

The Group is therefore also taking into account the impact of climate change on its own organisation in order to prepare and make the necessary strategic decisions so that it can adapt.

GREEN TAXONOMY

REGULATORY FRAMEWORK

In accordance with EU Regulation 2020/852 dated 18 June 2020 (the so-called "Taxonomy Regulation"), STEF publishes, for the 2022 financial year, the share of its turnover, investments, and some of its operational expenses deemed eligible and aligned under the climate change mitigation and adaptation objectives.

An economic activity is deemed eligible if it is included in the list of activities described in the delegated acts to the taxonomy regulation, corresponding to the activities identified by the European Commission as likely to make a substantial contribution to the following two climate objectives for 2022, and to one of the environmental objectives below from 2024 onwards:

- climate change mitigation;
- adaptation to climate change;
- sustainable use and protection of water and marine resources;
- transition to a circular economy, waste prevention and recycling;
- pollution prevention and control;
- protection of healthy ecosystems.

An eligible economic activity is deemed to be aligned if it meets the following three criteria:

- it makes a substantial contribution to one or more of the environmental objectives, by meeting the specific technical criteria detailed in the delegated acts to the taxonomy regulation;
- it does not cause significant harm to any of the other environmental objectives (Do No Significant Harm - DNSH) by meeting the criteria described in the Delegated Acts to the Taxonomy Regulation;
- it is carried out in accordance with the OECD Guidelines for Multi-national Enterprises and the United Nations Guidelines on Business and Human Rights.

APPLICATION

ELIGIBILITY OF ACTIVITIES

The Group has conducted a detailed analysis of its activities in order to identify those that correspond to activities described in the appendices of the EU Delegated Regulation 2021/2139 on Climate. This analysis, conducted jointly by the Sustainable Development Department, the Finance Department, and the Operational Departments, led to identifying the following activities as part of the climate change mitigation objective:

TAXONOMIC ACTIVITY	RELEVANT STEF ACTIVITIES
4.15 - Heat/cold networks.	Production and distribution of cold to refrigerated storage facilities.
6.5 - Transport by motorcycles, passenger cars, and commercial vehicles.	Transport operations carried out by light commercial vehicles meeting Euro V and Euro VI standards. STEF Group company vehicles.
6.6 - Road freight transport.	Transport activities carried out by tractors and lorries complying with Step E of the Euro VI standard.
6.10 - Maritime and coastal freight transport, vessels necessary for port operations and auxiliary activities.	Transport activities carried out by La Méridionale's four vessels.
7.1 - Construction of new buildings.	Real estate development activity carried out by a dedicated subsidiary (IMMOSTEF) on behalf of external customers.
7.2 - Renovation of existing buildings.	Renovation of the Group's buildings involving more than 25% of the surface area of the building enclosure or costing more than 25% of the value of the building, excluding the value of the land.
7.3 - Installation, maintenance and repair of energy efficient equipment.	Installation, maintenance and repair of cold production equipment in order to improve its energy performance.
7.6 - Installation, maintenance, and repair of renewable energy technologies.	Installation of solar panels on the Group's buildings.
7.7 - Acquisition and ownership of buildings.	Buildings owned or leased by the Group.

ALIGNMENT OF ACTIVITIES

Alignment with the Group's taxonomy of eligible activities requires an analysis of the physical climate risks impacting the activity. The Group's strategic plan identifies adaptation to climate change as a major issue to be taken into account in the years to come. This is why work is being initiated from 2023 onwards to study the risks, vulnerability, and measures to be taken into account with regard to the physical phenomena caused by climate change. As a result, for the year 2022, STEF does not meet the conditions for alignment with the green taxonomy with respect to the DNSH "adaptation to climate change". However, this does not reflect a complete picture of the Group's CSR strategy and its environmental commitments as reported in the Extra-financial Performance Declaration.
A detailed analysis is also being conducted at Group level to identify a roadmap for alignment in the coming years.

COMPLIANCE WITH MINIMUM SAFEGUARDS

STEF conducts its business in accordance with the OECD Guidelines for Multi-national Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set forth in the eight core conventions cited in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

HUMAN RIGHTS DUE DILIGENCE REQUIREMENT

The STEF Group is subject to the French due diligence requirement (Economic and Financial Planning Document Reference). It ensures that human rights are respected throughout its value chain while ensuring compliance with regulations in force in each country where it operates.

ANTI-CORRUPTION

The STEF Group is subject to the French “Sapin II” law and all standards of conduct to be respected with regard to corruption risks are included in its ethics charter. The Group also has a whistleblowing and reporting system to report contentious cases, as well as an external digital platform for receiving and processing alerts.

TAXATION

STEF's Tax Department has developed strong tax risk management processes to ensure compliance with applicable rules in the countries where the Group operates.

FAIR COMPETITION

The STEF Group ensures compliance with the principle of fair competition, regardless of the type of operation or project undertaken. Awareness-raising initiatives are also carried out with General Management, Sales and Regional Management.

Key performance indicators on 31 December 2022

The scope used to define the key performance indicators on 31 December 2022 is as follows:

* the turnover, capital expenditure and operating expenditure taken into account cover all the Group's activities corresponding to the scope of the companies under its control;
* the companies in which the Group has joint control or significant influence are excluded from calculating the ratios defined by the Delegated Act on Article 8 of the Taxonomy Regulation published on 6 July 2021;
* the financial data is taken from the financial statements as of 31 December 2022 and the total turnover and capital expenditure can therefore be reconciled with the financial statements.

Turnover

At 31 December 2022, the total turnover used as the denominator amounts to €4.264 billion and corresponds to the Group's turnover as established in the consolidated financial statements.
The eligible turnover amounts to €559 million and corresponds mainly to the turnover generated by the operation of La Méridionale's 4 ships (€100 million), the operation of vehicles falling within the scope of Step E of the Euro VI standard (€436 million) and the rental or provision of premises (€14 million).
The increase in eligible turnover compared to 2021 is explained in particular by the regular replacement of the heavy vehicle fleet and the introduction of new vehicles meeting the Euro VI-E standard, which leads to an increase in eligible turnover in Activity 6.6 - road freight transport. The eligibility percentage related to road freight transport should therefore continue to grow over the next few years.
The calculation of the share of eligible turnover relating to road freight transport was done based on the assumption that the turnover was achieved uniformly by all vehicles in the fleet and in a linear fashion over the year, and that the percentage of eligibility for the short-term leased fleet was identical to that for the owned fleet.
The analysis of the eligibility of the subcontracted fleet was done for each country of operation.

Investments

At 31 December 2022, the total capital expenditure used as the denominator amounts to €407 million and corresponds to the total amount of acquisitions and additions to the scope of intangible assets, property, plant and equipment and rights of use relating to rental contracts.
Eligible capital expenditure amounts to €223 million and corresponds mainly to the acquisition and ownership of buildings (€155 million), and the acquisition of new operating vehicles (€30 million). Of this €223 million of eligible investment expenditure, €52 million is related to business combinations.

Operating Expenses

According to the EU Delegated Regulation 2021/2178, the operating expenses to be taken into account when calculating the taxonomy ratio are the direct non-asset costs of research and development, building renovations, short-term rental contracts, maintenance and repair and any other direct expenses related to the day-to-day maintenance of assets.
Within the Group, the corresponding operating expenses are maintenance expenses and short-term rental expenses and other IFRS 16 exemptions.
At 31 December 2022, the total operating expenses used as the denominator amount to €168 million.
Eligible operating expenses amount to €51 million and correspond mainly to maintenance and upkeep expenses on the buildings, on La Méridionale's 4 ships, and on the vehicles.
Operating expenses related to the purchase of alternative fuels are not included.

ELIGIBILITY AND ALIGNMENT - TURNOVER

Economic activities (1)	Code(s) (2)	Absolute turnover (3) Currency (€M)	Share of turnover (4) %
A. TAXONOMY-ELIGIBLE ACTIVITIES			%
A.1 - Environmentally sustainable activities (taxonomy-aligned)		0	
A.2 - Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)			
6.5 – Transport by motorcycles, passenger cars, and light commercial vehicles	6.5	0.53	0.01%
6.6 – Road freight transport	6.6	436.31	10.23%
6.10 – Maritime and coastal freight transport, vessels necessary for port operations and auxiliary activities.	6.10	99.68	2.34%
7.1 – Construction of new buildings	7.1	8.38	0.20%
7.7 – Acquisition and ownership of buildings	7.7	14.37	0.34%
Total (A.1 + A.2)		559.26	13.12%
B. NON-TAXONOMY ELIGIBLE ACTIVITIES			
Turnover of non-taxonomy eligible activities (B)		3704.89	86.88%
Total (A + B)		4264.15	100%

ELIGIBILITY AND ALIGNMENT - CAPEX

Economic activities (1)			
A. TAXONOMY-ELIGIBLE ACTIVITIES			%
A.1 - Environmentally sustainable activities (taxonomy-aligned)		0	
A.2 - Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)			
4.15 - Heat/cold networks	4.15	2.94	0.72%
6.5 - Transport by motorcycles, passenger cars, and light commercial vehicles	6.5	3.19	0.78%
6.6 - Road freight transport	6.6	30.00	7.37%
6.10 - Maritime and coastal freight transport, vessels necessary for port operations and auxiliary activities	6.10	18.83	4.63%
7.3 - Installation, maintenance and repair of energy efficient equipment	7.3	4.70	1.15%
7.6 - Installation, maintenance, and repair of renewable energy technologies	7.6	8.32	2.04%
7.7 - Acquisition and ownership of buildings	7.7	154.92	38.05%
CaPEX of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		222.90	54.75%
Total (A.1 + A.2)		222.90	54.75%
B. NON-TAXONOMY ELIGIBLE ACTIVITIES			
CaPEX of non-taxonomy eligible activities (B)		184.20	45.25%
Total (A + B)		407.10	100%

	Substantial contribution criteria						No Significant Harm Criteria (DNSH - Does Not Significantly Harm)										
	Climate change mitigation (5)	Climate change adaptation (6)	Aquatic and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Aquatic and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Share of turnover aligned to taxonomy, year N (18)	Share of turnover aligned to taxonomy, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
															–		
														–	–		

	Climate change mitigation (5)	Climate change adaptation (6)	Aquatic and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Aquatic and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Share of turnover aligned to taxonomy, year N (18)	Share of turnover aligned to taxonomy, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
															–		
															–		
														–	–		
														–	–		

ELIGIBILITY AND ALIGNMENT - OPEX

Economic activities (1)	Code(s) (2)	Absolute turnover (3) Currency (€M)	Share of turnover (4) %
A. TAXONOMY-ELIGIBLE ACTIVITIES			%
A.1 - Environmentally sustainable activities (taxonomy-aligned)			
A.2 - Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)			
4.15 - Heat/cold networks	4.15	9.02	5.37%
6.5 - Transport by motorcycles, passenger cars, and light commercial vehicles	6.5	0.09	0.05%
6.6 - Road freight transport	6.6	6.71	3.99%
6.10 - Maritime and coastal freight transport, vessels necessary for port operations and auxiliary activities	6.10	13.73	8.17%
7.7 - Acquisition and ownership of buildings	7.7	20.97	12.48%
OPEX of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**50.51**	**30.05%**
Total (A.1 + A.2)		**50.51**	**30.05%**
B. NON-TAXONOMY ELIGIBLE ACTIVITIES			
OPEX of non-taxonomy eligible activities (B)		**117.54**	**69.95%**
Total (A + B)		**168.05**	**100%**

	Substantial contribution criteria						No Significant Harm Criteria (DNSH - Does Not Significantly Harm)										
	Climate change mitigation (5)	Climate change adaptation (6)	Aquatic and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Aquatic and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Share of turnover aligned to taxonomy, year N (18)	Share of turnover aligned to taxonomy, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
															–		
															–		
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SOCIAL

THE PERFORMANCE AND QUALITY OF STEF'S SERVICES RELIES ON ITS TEAMS: diverse teams who are rich in the Group's different cultures. Training and career development for all employees, and ensuring their health, safety, and quality of working life are therefore key issues for the Group in the eight countries where it operates.

DIVERSITY AND EQUAL OPPORTUNITIES

At STEF, diversity includes all facets of the individual regardless of age, gender, culture, work experience, or disabilities. The aim is to facilitate and support equitable professional and social advancement through professional integration, access to training, and career development for everyone.

PROMOTING GENDER EQUALITY AT THE WORKPLACE WITH "MIX'UP"

Launched Group-wide in October 2021, the "MIX'UP" approach was rolled out in 2022. Objective: to increase the percentage of women in the workforce by 25% by 2030 (based on the 2020 workforce). This approach is supported by the members of the Executive Committee and by the Group's General Management, who have signed a letter of commitment to all employees.

MIX'UP commitments

There are five of them (see box on p. 70). They structure, complete, and reinforce the measures already in place to increase the number of women within the Group, at all levels of the company, through measures such as the "People Review", talent management to identify women with potential, and the integration of young women into the "Graduate Program".

A systematic approach

These five commitments refer to multiple challenges and require an integrated approach. This is reflected in the action plan shared by all countries: it covers awareness of stereotypes, recruitment, integration and career management, adaptation of working environments, but also internal and external communications, assistance with implementing comparative gender assessments, and dialogue with social partners. The training courses that have been implemented provide an opportunity to create awareness of the need to respect the diversity that exists within the Group. All management levels are involved so that women can better find their place in the company and be able to integrate into so-called "male-dominated" environments in the long term. Finally, "MIX'UP" makes it possible to capitalise on innovative approaches, such as the "Elles pour elles" mentoring programme in Italy.

MIX'UP

"MIX'UP" in action

In 2022, the "MIX'UP" approach was deployed operationally in all areas. It includes:

* the launch of an internal communications plan to combat prejudice within the Group (videos, posters, stickers, "All jobs are gender neutral" exhibition) as well as a public statement on social media;
* training courses for 600 French managers in site management committees ("Managerial guidelines for inclusion: gender equality at the workplace, gender equality and diversity") and for local managers ("Working well together: gender equality and diversity at the workplace");
* training courses for the Management Committee in Spain and Italy were held. The other countries will follow in 2023;
* the progressive deployment of the "Comparative Gender Assessment" (CGA) campaign at all the subsidiaries in France in order to incorporate the local challenges into their action plan;
* the setting up of the "MIX'UPers" internal diversity network: 80 volunteer employees are mobilised to support the deployment of the Group's approach in different areas using dedicated tools;
* the organisation of an awareness-raising day on gender equality in the workplace at around fifty volunteer sites in France;
* the launch of a 100% female class in the STEF driving school in the Ile-de-France region.

THE 5 "MIX'UP" COMMITMENTS

increase the gender diversity on the teams;

ensure equitable integration and career development;

promote a better work-life balance;

adapt our working conditions and environments;

change the perception of our professions.

80 "MIX'UPers" SUPPORT THE DEPLOYMENT OF THE MIX'UP APPROACH IN THE FIELD.

KEY FIGURES - NUMBER OF WOMEN IN THE GROUP

At the end of 2022, women represent

21%

of the workforce (compared to 21.3% in 2021).

% of women in the Group's workforce

France	20.5%
Spain	25.4%
Portugal	26.5%
Italy	36.0%
Belgium	14.6%
The Netherlands	16.0%
United Kingdom	12.9%
Switzerland	7.3%
Total	**21.0%***

* Excluding external growth (excluding Spain TTC / Switzerland Frigosuisse / Italy SVAT).

At the end of 2022, STEF was awarded "Diversity Leader" in the Financial Times' ranking.

In 2022, STEF was listed as a committed company by Capital magazine. This ranking is based on a survey of 25,000 employees and rewards companies that are committed to diversity and equal opportunities.

The "MIX'UP" approach rewarded!

STEF was awarded with the "World's Top Female Friendly Companies 2022" certificate by Forbes magazine.

(Result of an independent survey conducted by Statista among more than 150,000 workers in 57 countries).

INTEGRATING PEOPLE WITH DISABILITIES

Committed for more than 15 years to employing people with disabilities, STEF has an employment rate of 7.76% (vs. 2.78% in 2007) in France and 6.8% for the Group for 2022[9]. The Group's disability policy is gradually being rolled out in all countries.

6th disability agreement signed in 2022 by all the trade unions in France and approved by the DREETS (Regional Directorate for the Economy, Employment, Labour and Solidarity). This agreement reinforces the consistency of the actions taken by the Group to recruit, integrate and retain disabled employees, to support them through practical and financial measures and to raise awareness among its teams. Some figures illustrate the achievements of the 5th disability agreement covering the period 2019-2021:

* 85 workstation modifications;
* 49 ergonomics studies;
* 87 support leading to a new professional project;
* 40 internal or external reclassifications;
* 20 training courses resulting in certification.

KEY FIGURES FRANCE

End of 2021*

864 employees recognised as disabled (vs. 277 before the 1st agreement was signed in 2007);

78 sites exceeded the 6% employment obligation;

32 employees benefited from workstation modifications or training courses to maintain their employment.

*2022 figures not yet available.

In 2022

Nearly **135 disability specialists** have been trained. Their mission: to provide leadership in disability policy in conjunction with their departments and Disability Mission;

575 people were educated about disabilities (managers, human resources managers, operations staff, employee representatives, etc.).

DYAD - Since 2019, this adapted company, specialised in packaging-to-order, is part of the STEF Group and represents the core of its Packaging BU. As such, Dyad provides social and professional support as part of the commitments of the Multi-year Contract of Objectives and Means (MCOM) signed in 2021 for 5 years. This year, Dyad obtained approval for two "Tremplin Fixed-term contracts".

"Disabling chronic illnesses: supporting the relationship between illness and work situation" guide - Distributed to subsidiary managers and HR departments, this guide is the result of STEF teams' participation in the "Work and Cancer/Chronic Illnesses" workshop with the Nouvel Institut[10].

In Italy - In 2022, the involvement of the teams on the ENS Project (Ente Nazionale Sordi - National Agency for the Deaf) for persons who are deaf and hard of hearing led to the recruitment of 8 deaf persons and setting up training courses in the departments where the new hires work. The "Ladies First" programme included a deaf employee in the training course accompanied by an interpreter.

Employment of Persons with Disabilities Award 2022.

Organised by the extra-financial rating agency HUMPACT, this award recognises the Group's continuous work to promote inclusion.

Because work is a key factor in social integration...

As a job creator, STEF is committed to professional integration, particularly for young people, people who are furthest removed from the job market and refugees. (See p. 87 Local authorities, associations, and citizens).

[9] Since 2020, the employment rate in France is calculated mid-year.

[10] An association whose purpose is to address unresolved issues between business and society.

HEALTH, SAFETY, AND WORKING CONDITIONS

The health and safety of the employees are subject to ambitious policies focused on prevention. This requires individual and collective awareness, but also changes in practices at all levels, based on a collaborative approach involving both operational and support functions. Occupational risk prevention is integrated upstream of all transformation projects (operational processes, organisation, design, equipment, etc.) and the teams are involved.

Reducing accidents at work: a permanent thread, a cross-cutting approach, specific commitments - Since 2021, the HSW (Health, Safety at Work) approach has evolved into a HSWC (Health, Safety and Working Conditions) approach. The various support services and centres of expertise (Group business lines, including Research & R&D, Real Estate, Ergonomics and Innovation) work together within a special committee. This body, which is operational in France and Portugal, will be gradually deployed in the other countries, alongside management's leadership. In order to share best practice policies, quarterly meetings are held with all HSW stakeholders. Technical, organisational and human experiments are thus conducted to reduce the business constraints and develop realistic solutions that can be adapted to the situation in the field: helping with preparation and handling in partnership with equipment manufacturers, ergonomics analyses of specific situations, experimenting with solutions to reduce the risks of musculo-skeletal problems.

THE INITIATIVES CARRIED OUT IN 2022 INCLUDE:

Partnership with the CARSAT Network and CRAMIF - In October 2022, STEF signed its first national commitment with the CARSAT Network and CRAMIF on occupational hazard prevention. This commitment involves its 190 sites in France and its 17,000 employees (including apprenticeship contracts and temporary workers). The objectives for the next three years are to:

* limit the risk factors associated with the onset of musculo-skeletal problems, especially those related to manual handling;
* reduce the occurrence of serious accidents leading to long work stoppages and a risk of losing employability;
* reinforce the HSW culture and managerial commitment across the entire management structure.

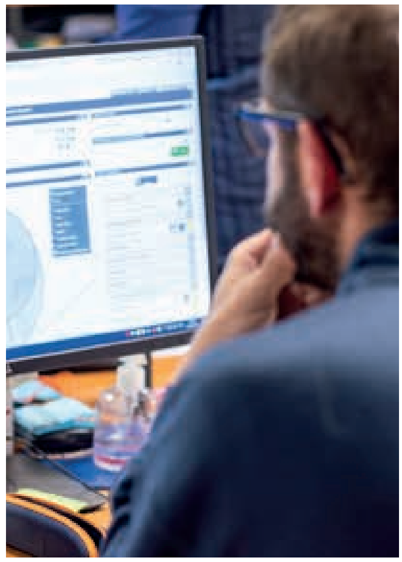
This commitment will be turned into action plans for each site, led by dedicated teams and accompanied by quarterly monitoring indicators, with an annual review.

Partnership signed with the CARSAT network and CRAMIF in October 2022.

Digital HSW tools - An innovative system developed in-house - STEP By STEF - enables new employees, both permanent and temporary, to be integrated more closely via QR codes and tablets. A digital welcome system is also used to facilitate the integration of new recruits before they arrive on site. The digitisation of Safety Field Visits is also being rolled out in France and Portugal.

Training and awareness-raising
The challenge is to make prevention a priority in all processes. With this in mind, awareness-raising and training initiatives are ongoing: holding of HSW days at the sites; "Managing via safety" training course to make HSW a priority in the daily work of managers.

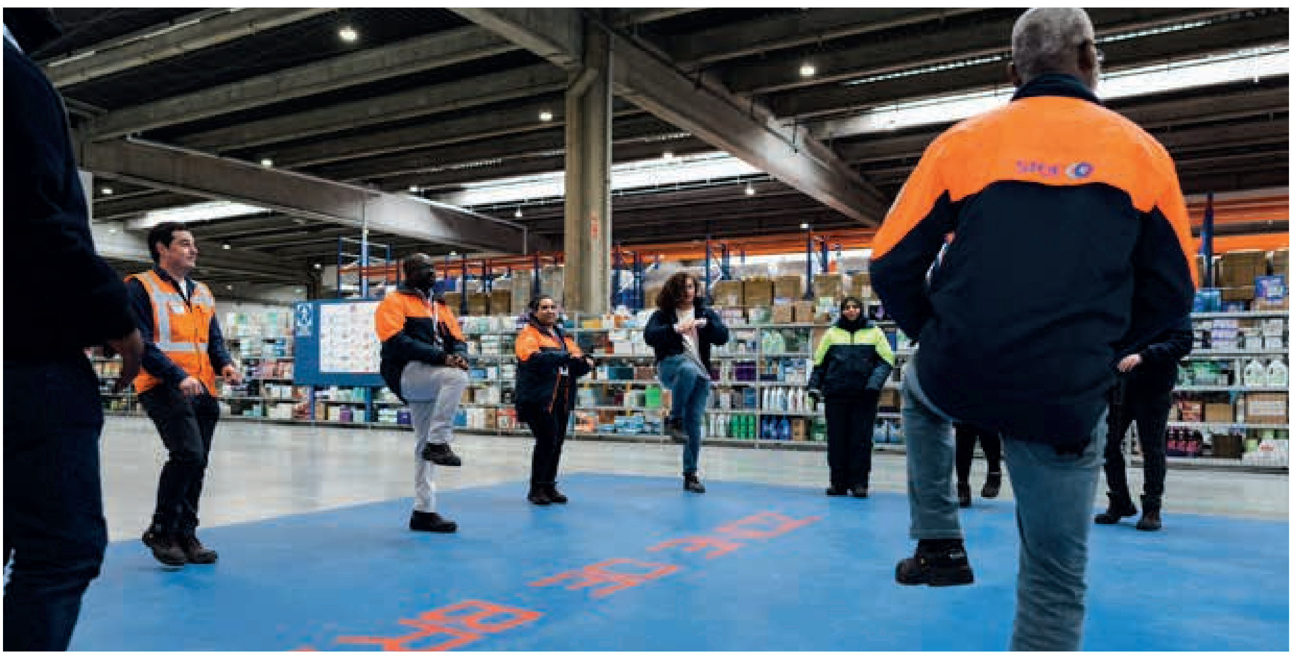
These initiatives are supported by the efforts of the Safety Committees (COSEC) at each site in France.
At the same time, the methods for analysing undesired events in order to implement corrective actions continue to progress and improve.



CONTINUATION OF LONG-TERM INITIATIVES AND PROGRAMMES TO IMPROVE WORKING ENVIRONMENTS AND CONDITIONS

MSD prevention - remains a top priority in the logistics and transport sector. The search for organisational, technical and human solutions is supported by the intrinsic cooperation of the COPIL Health, Safety and Working Conditions (HSW) and the commitments made in collaboration with CARSAT. At the same time, the Group is continuing its benchmarking work on innovative solutions by deploying new assessment methodologies combining subjective feedback and objective measurements of muscular and postural activities. In total, 16 physical assistance devices have been tested with the help of almost 370 volunteers since 2017.

Site design or renovation projects - are supported by specialised in-house teams from the Real Estate division and incorporate the expertise of the prevention networks. In 2022, 7 design, renovation, or expansion projects were carried out by multi-disciplinary teams. At the same time, projects for the design and layout of lines - especially packaging lines - are being carried out.



Work clothes - are developed with and for the employees. Each working environment and activity has its own requirements and therefore a range of equipment. In 2022, 100 employees tested new models of safety shoes which led to the listing of 12 models (men and women). In addition, the HSW teams keep a close eye on technological innovations on the market for personal protective equipment (PPE). They also intend to take advantage of the launch of the women's driving school to collect feedback from future female drivers regarding the equipment available to them.

Initiatives to promote the Quality of Working Life (QWL) - Actions are deployed in three areas: work/life balance (e.g. setting up a school support platform for the employees' children - more than 2,100 registered), health and safety (e.g. tele-medical consultations open to more than 1,900 employees in France, with a registration rate of 45% in 2022) and support for persons experiencing difficulties (network of social workers and occupational psychologists).

In France, the Group has chosen to engage in negotiations on the themes of Quality of Life and Working Conditions (QLWC) with its social partners. Negotiations began in 2022, in line with the Group's commitment to improving working conditions across the board. Each country decides on the most relevant initiatives to be carried out with regard to the local situation and the needs identified: work on the culture of change and regular breakfasts with management in Portugal; scholarships ("STEF Students Award") for employees' children who have distinguished themselves in their studies in Italy.

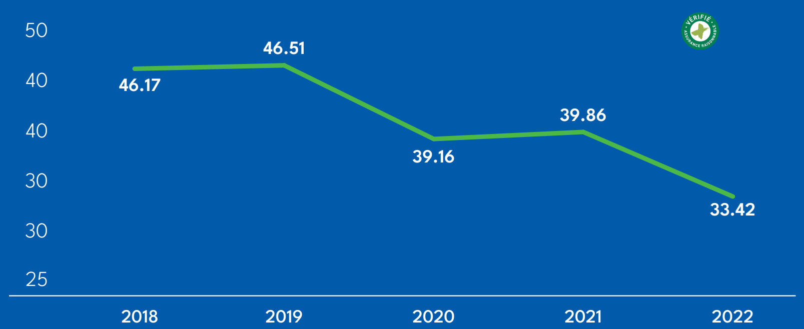
STEF Group also encourages physical activity through several initiatives and participation in dozens of solidarity races in 2022.

Accidents are down!

For the entire Group, the occupational lost-time accident frequency rate significantly decreased: from 46.17 in 2018 to 33.42 in 2022.

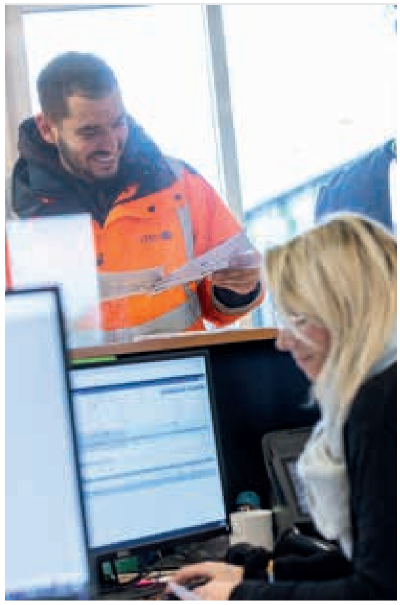
The severity rate was 2.29 in 2022

Frequency rate
Excluding external growth (Spain TTC / Switzerland Frigosuisse / Italy SVAT)



STEF Driver

By definition, drivers are mobile. Tried out in France, this mobile app allows them to keep in touch with the Group: they can access safety information, report a vehicle incident, monitor eco-driving data, but also improve the way their work day is organised. STEF Driver can also be connected to different business apps.



RECRUITING AND RETENTION


To support its development, STEF must have resources and skills that match its needs. In 2022, its teams worked specifically on a new employer image campaign and the transformation of the Group's managerial model. They also continued various long-standing programmes to make the Group's professions more attractive, to develop skills, and to promote employee mobility and loyalty.

72.84% of STEF's capital is held via the FCPE by more than 12,800 Group employee shareholders, all socio-professional categories combined.

ATTRACTING, RECRUITING AND RETAINING TALENT

Making STEF attractive - This is the aim of the new recruitment campaign that mobilised the HR teams in 2022 and will be launched in 2023. Breaking away from traditional recruitment practices, this "360" campaign highlights the Group's strengths and emphasises what makes it unique in the sector: geographical proximity thanks to its territorial coverage, strong values and commitments in terms of CSR, job stability, opportunities for advancement accessible to everyone through training courses offered to advance in one's profession or to undertake a professional retraining course, supported by certificate courses. This campaign will primarily target jobs in short supply (driving, order preparation, technical) and will be based on the study of databases that will make it possible to disseminate our messages to people who are often difficult to attract or who are furthest removed from the job market, depending on the geographical area and the profile (age, training, career).

Simplification of the applicant process – In 2023, STEF's "Careers" site will be transformed. The focus will be on the user and efficiency. The aim will be to create a sense of involvement and thus increase the number of successful applicants. In 2022, some actions to simplify the applicant process were initiated, such as the possibility of applying without a CV or deploying tools to strengthen the direct link between applicants and the Group.

Strengthening relations with international schools – The "Campus Connectors" responsible for promoting the Group's jobs to young graduates are now in contact with some fifty schools in France. The Campus Connectors network was also reinforced internationally in all countries with leading schools (Bocconi in Italy, Universidad Camilo Jose Cela in Spain). STEF continued to participate in various online and in-person events (forums, job dating).

Personalized tools to choose and manage one's career -
The Graduate Program for young graduates to prepare them to take on managerial responsibilities continued. In 2022, the system was completed in France with the creation of the “Development Centre”. The aim is to work on key skills and behaviours, like personalised coaching, in order to accelerate career advancement. The Group has also set the goal of building bridges between business lines in order to meet each individual's aspirations through more “atypical” career opportunities.

Employee shareholding is one of the key priorities on which the Group is built. This model, unique in its business sector, is not only a powerful uniting force, but also a true lever for economic performance and a differentiating factor for the Group’s customers. Today, 72.84% of STEF’s capital is held by its management and employees, including 17.84% through the dedicated company mutual fund (FCPE). Through this, more than 12,800 employees are Group shareholders, across all socio-professional categories. The FCPE has been put in place in almost all of the countries where STEF operates. In 2023, the Group will celebrate the 30th anniversary of its company savings plan. This event will be an opportunity to rally employees around this joint adventure, but also to strengthen the sense of belonging and identity that it has helped develop.

KEY FIGURES

17.94% turnover, up from 2021, mainly due to the integration of the UK and the hiring push in 2022.

3,998 new hires or permanent contract promotions, including 2,830 in France.

3,073 permanent contract departures, including 780 redundancies or negotiated terminations and 328 retirements or early retirements.

7.09% absenteeism rate[11] due to illness or accident at work, which is down from 2021.

[11] Including occupational illnesses and commuting accidents, excluding maternity/paternity; all contracts included. The ratio is calendar days lost by number of theoretical calendar days.

At the end of 2022, an advertising campaign was broadcast on TF1's replay platform. Nearly 3.8 million views in one month and an increase of more than 40% in new users to the careers site.

PROMOTING MOBILITY

Making each employee a key participant in their own personal development also means enabling them to find out about the opportunities available within the Group, in other regions, or in other jobs. STEF therefore manages talent at all levels of the organisation through a job exchange and "Career Committees".

The annual performance reviews are a key part of this mobility management process.
All HR development processes, from interviews to training programmes, are managed using a digital platform in all countries. The ambition to fill 70% of executive and senior management positions through internal promotion has now been largely exceeded at 80%.

Benchmarks over the last 5 years

Graduate program
339 young people trained (101 courses in progress at 31/12/22).

"Middle management" course
28 people trained.

Since 2017, STEF has been one of the 25 largest recruiters in France.

(Usine Nouvelle Survey – February 2022).

STEF in the "Word Best Employers" ranking

STEF was ranked 526th out of 800 top-rated companies in the latest edition of the Forbes World's Best Employers ranking. The ranking is based on extensive research into the propensity of employees to recommend their employer worldwide.

A management model that is in line with social and societal expectations.

The world is changing and so are employee expectations: STEF innovates and adapts its managerial culture. The result of an internal collaborative effort based on STEF's DNA, its values, and its commitments. It is built around 6 core values that illustrate its approach as much as its way of doing things:

People Care, Responsibility, Customer Focus, Entrepreneurship, Proactiveness and Teamwork.
They represent the foundation and reference point for all managerial approaches, guiding each individual's actions on a daily basis and structuring a common, consistent, coherent approach that will spread throughout the Group in every country where it operates.

Des fondamentaux à réaffirmer et renforcer

People Care
Partager le sens et grandir ensemble.

Responsabilité
Faire confiance et responsabiliser.

Des pratiques à faire évoluer

Orientation client
Mettre le client au cœur de notre organisation.

Entrepreneuriat
Encourager l'initiative.

Des inflexions à opérer

Agilité
Accélérer et simplifier.

Collaboration
Construire ensemble.

A WORKFORCE THAT REFLECTS THE GROUP'S GROWTH

At 31 December 2022, the Group's workforce (permanent and fixed-term contracts) totalled 21,718 employees, an increase of 6.03% compared to 2021 (+1,235 employees). The change in workforce in 2022 reflects the change in scopes.

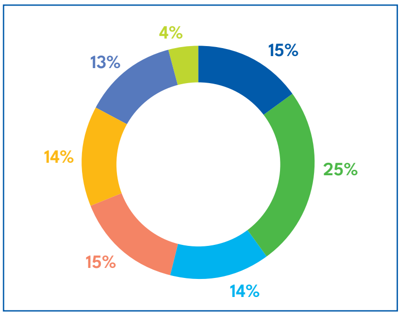
✱ In France, the number of employees increased slightly. In all other countries, external growth led to an increase in the number of employees, particularly in Italy, Switzerland, and Spain. These figures do not take into account assisted contracts (primarily apprenticeship and professionalisation contracts) which accounted for 695 people at 31 December 2022 or temporary staff (3,963 in full time equivalent). Including all contract types, the increase in workforce was +1.51% over the period. This increase is explained by the sharp decrease in the use of temporary work (3,963 in 2022 and 4,978 in 2021, *i.e.* -20%).

Workforce by business division/BU/country

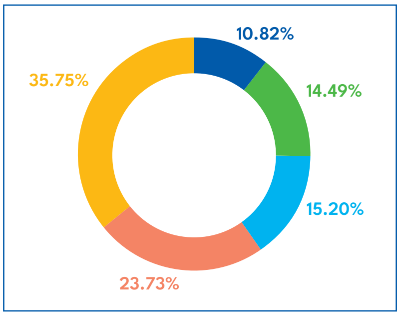
	2020	2021	2022
CHILLED CONSIGNMENTS BU	7,852	7,896	8,118
RETAIL BU	1,956	1,881	1,951
FROZEN BU	1,271	1,289	1,333
CHILLED SUPPLY CHAIN BU	805	806	846
SEAFOOD BU	766	701	698
OUT-OF-HOME FOODSERVICES BU	549	540	569
AMBIENT AND TEMPERATURE-CONTROLLED BU	139	156	230
PACKAGING BU	140	132	132
INTERNATIONAL FLOWS BU			91
CROSS-FUNCTIONAL DEPARTMENTS BU	141	168	160
STEF France	**13,619**	**13,569**	**14,128**
Spain	1,751	1,873	2,178
Portugal	415	432	461
Italy	826	956	1,174
Belgium	371	431	426
The Netherlands	329	334	338
Switzerland	133	148	226
European consignments	72	74	76
UK		1,391	1,427
STEF Inter	**3,897**	**5,639**	**6,306**
Maritime (mainly La Méridionale)	573	584	558
Other activities and central functions	672	691	726
Group Total	**18,761**	**20,483**	**21,718**

Note: With the exception of the table on the breakdown of the workforce at 31 December 2022, data from external growth in 2022 (Frigosuisse, SVAT and TTC) are not included in the other social indicators.

Breakdown of Group employees, permanent and fixed-term contracts, by age group in 2022.



Distribution of the Group's workforce by socio-professional category in 2022.



TRAINING AND SKILLS MANAGEMENT

The goal is to give each employee the opportunity to play an active role in their own personal development. The Group therefore strives to strengthen its employees' skills in order to support the Group's activities, maintain their employability, encourage their mobility and broaden their career prospects.

TRAINING, DEVELOPING SKILLS AND SHAPING TOMORROW

The training course policy is becoming more and more digitalized to be easily accessible everywhere and to everyone, and integrates business, managerial and societal issues. It is based on 4 main points:

* ensuring that employees have mastered fundamental skills;
* promoting each employee's development for their professional fulfilment;
* developing a strong managerial culture;
* anticipating future changes and encouraging the emergence of new skills for the future.

Tailor-made certified training courses for all levels

Team leader certification course: **5** promotions **40** participants since 2017.

Recognition of Prior Learning: **70** people gained qualifications from vocational diplomas to masters degrees over the last 3 years.

"Vision et leadership" a ten-day course at HEC: an average of **20** managers per class, *i.e.* **62** participants since its launch in 2019.

Benchmarks 2022

1 Group employee received an average of **9.45** training course hours.

26,551 training actions were completed.

Mobility: more than **80%** of executive and senior positions filled through internal promotion (for a minimum target of 70%).

STEF University: passing on expertise and training in the skills of the future.

As a leader in its sector, STEF develops its own educational resources and monitors training course innovations. Divided into campuses by field, STEF University works with the best partners in the industry and with IMF (Institut des Métiers du Froid), which is one of the first internal training courses to be certified according to the national Qualiopi standard. For the operations professions in France, some 80 expert driver trainers and 150 expert quay trainers teach the Group's know-how. The training courses and career opportunities offered include:

* **The Institut des Métiers du Froid (IMF)** is responsible for disseminating business expertise: in 2022, the IMF trained 4,316 people and provided 59,738 hours of training, 6,018 training actions, including 632 for non-Group employees;

* **Sales Campus** - 20 training sessions in 2022 (133 people trained);

* **The logistics school in Spain:** devoted to business managers, this 100% digital training course which began this year received the "Talent y Logistics" finalists' award. 14 people took part in the first class;

* **Driving school** - Started in France in 2021 with AFTRAL, the leading transport and logistics training course provider, this in-house school offers students the opportunity to obtain a certificate or diploma through professional training or apprenticeship contracts. Available to both external applicants and internal teams, it provided 12 sessions in 2022 (vs. 8 in 2021), *i.e.* 94 trainees, 12 of whom were in-house (vs. 82 in 2021) with a success rate of 92% (vs. 96% in 2021). In 2022, it also graduated its first all-female class.

SOCIAL DIALOGUE

ENSURING A CALM SOCIAL CLIMATE

Social dialogue is the foundation of social relations within the Group. It contributes to a stable and calm social climate.

Social dialogue is structured around employee representative institutions, which are established in all countries and at all levels of the organisations, in accordance with the relevant laws. These bodies allow for in-depth, constructive discussions on the company's challenges and structural decisions: the main international external growth operations are presented to the European Works Council, for information or advisory opinion if necessary.

To encourage a rich dialogue that addresses all operational and cross-divisional issues, supra-legal bodies have been created: trade union coordinators, the Transport Committee and the Logistics Committee complement the legal mechanisms of the European Works Council and the Group Works Council.

Illustrating this ambition to co-build, an agreement renewing and expanding these supra-legal institutions was unanimously signed by the trade union organisations at the end of 2021. This common desire to promote dialogue also helps to resolve social conflicts that may arise in organisations.

The negotiations conducted with the social partners are consistent with the Group's challenges and policy: a 6th agreement on the policy for disabled workers was unanimously signed by the trade unions in 2022; negotiations on the Quality of Life and Working Conditions (QLWC) were initiated in 2022 in accordance with the Group's commitments.

FOOD SAFETY

AS A SPECIALIST IN TEMPERATURE-CONTROLLED FOOD TRANSPORT AND LOGISTICS, STEF HAS ALWAYS MADE FOOD SAFETY ITS PRIORITY, AS THE GROUP STATES IN ITS MISSION STATEMENT.

The Health and Safety Division covers all measures to ensure the food entrusted to STEF is safe. In so doing, it seeks to protect consumer health by ensuring and advancing food safety. Therefore, it focuses on innovation, prevention, and co-operation to develop a shared culture that benefits everyone.

NEW TECHNOLOGIES

STEF teams work together to optimise processes, improve equipment, and save energy while ensuring food safety. These innovations are then rolled out to the Group's sites.

Innovative real-time monitoring and alert systems at all key stages to detect risk situations

This year, the teams conducted a joint assessment to identify and deploy the most relevant new technologies. The aim is to anticipate the potentially damaging consequences of breaks in the cold chain in order to be proactive, to notify their customers as soon as possible, and to identify and isolate suspect products to prevent them from being made available to the consumer without thorough verification. The latest innovations include:

- **connected device (IoT)** for recording the temperature of each refrigerated compartment and the location of vehicles. This information can be viewed in real time by incorporating it into the Group's operating systems;
- **real-time monitoring systems** that each customer benefits from, particularly from their dedicated website (status and proof of delivery, activity monitoring, indicators…).

WORKING TOWARDS A POSITIVE FOOD SAFETY CULTURE

When it comes to food safety, the quality and reliability of technology is essential but may not be sufficient. Food safety is as much a question of personal safety as it is of health safety: each individual's behaviour is crucial. This is why STEF has decided to reinforce its food safety culture by capitalising on its positive, socially responsible dimension. This approach is supported at the highest levels of the Group.

A shared food safety culture - Individually, each employee plays an important role. The challenge is to reinforce preventive and proactive food safety practices at all levels of the organisation and to encourage responsible behaviour throughout the managerial and operational chains. To do this, the Group has developed shared standards that have a positive impact on the way people and organisations deal with the issue of food safety.

In 2022, a first inventory of knowledge and practices in this field was taken. A partnership with the University of Lyon 2 was entered into in connection with a doctoral thesis on how to develop and embed a food safety culture within the Group.

More attractive food safety training courses – The Group is stepping up its awareness-raising and training courses on food safety: a module on "Food Defense" to train employees on how to prevent and detect malicious acts, and tablets dedicated to raising employees' awareness to enable as many people as possible to take the courses. This formula, which is very flexible in its implementation, encourages employees' freedom and accountability.

Tried and tested, robust and constantly improving - In Europe, where all its sites have community health certification, STEF relies on the continuous improvement of its Health Control Plan (HCP). This is based on the analysis of hazards to which the goods may potentially be exposed (HACCP* method). It describes the control measures and best practices to ensure food safety by avoiding all forms of degradation (biological, physical, chemical, and allergens). This HCP is reviewed during internal and external audits by independent bodies, our customers, and even the health authorities. The provision of safe food products for consumers is also based on keeping to deadlines, traceability, and commitments made to customers.

*Hazard Analysis Critical Control Point

Food safety means combining food safety and energy savings, but also anticipating power outages…

In 2022, **the process of reducing energy consumption** continued without adversely affecting the cold chain. Given the pressure on energy supply in France and Europe, the teams have prepared for possible power outages: detailed operational and technical plans have been drawn up to **ensure food safety** (studies and mechanisms adapted to the nature of the food, operations, and the sites) and employee safety.

Did you know?

Human error is responsible for 97% of food contamination cases!

The objectives of the Consumer CARE approach in the strategic plan:

developing a positive food safety culture among all employees;

adapting processes and deploying new technologies to detect risk situations;

assisting customers and sharing the Group's expertise within the food industry.

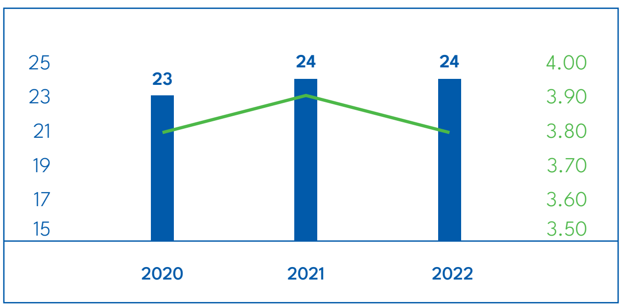
SHARING EXPERTISE

STEF's ambition is also to share its expertise within the food industry, in particular by offering to assist its customers and partners from the time the food is picked up until it is delivered to the recipient. Initiatives were launched in 2022 in this area.

Drafting of the Guide to Good Hygiene Practices in the cold logistics chain - STEF actively participated in drafting this document which was submitted to the French supervisory authorities. Intended to become the gold standard, this guide includes best practices and rules covering transport, warehousing, order picking, and delivery services. B-to-B oriented, it can be used by all transport and refrigerated logistics companies with the help of the practical information sheets provided.

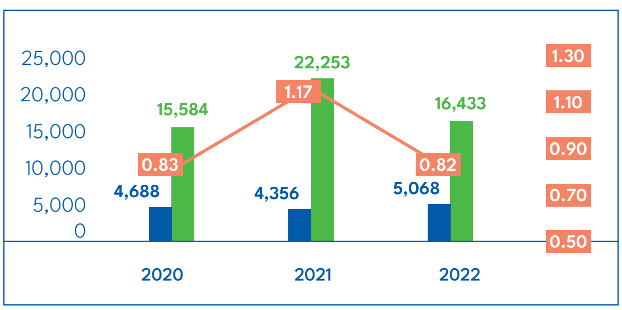
Promoting good health practices within the ecosystem - At the end of 2022, the Group's teams presented this guide to the French Association of Processed Food Products Companies (ADEPALE) via La Chaîne Logistique du Froid.

Change in the average rating and number of official health inspections - France data.

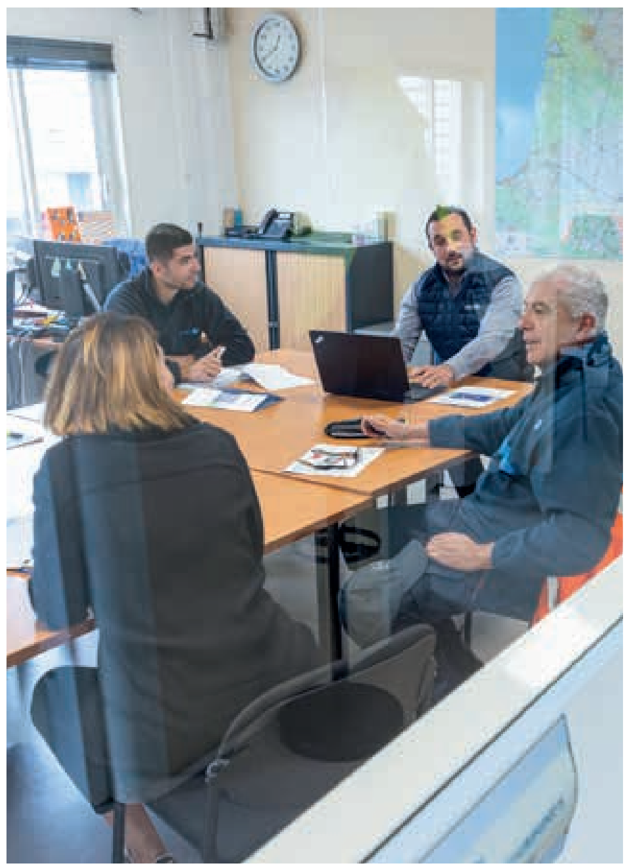


● Number of inspections ● Average rating

More trainees and shorter training courses



● People trained ● Training hours
● Number of food safety training course hours per Group employee



PARTNERS

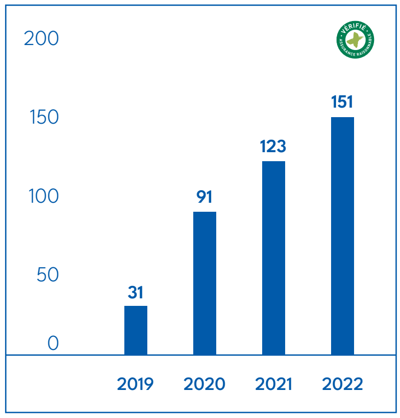
STEF maintains a robust, regular dialogue with each of its various stakeholders. The aim is to work together to find the best responses and make progress together.

CUSTOMERS

By listening to the needs of its customers, particularly their commitments in terms of scope 3[12], the Group incorporates an increasingly important CSR dimension into its services. To do this, the Group has established a collaborative internal process between its sales and CSR teams in order to provide its customers with an expert perspective on environmental and social issues, to offer them tools to measure the impact of their supply chain operations, and to be able to co-design the most sustainable solutions with them.

[12] Scope 3: indirect greenhouse gas emissions from the value chain.

Change in the number of CSR requests from customers



LOCAL AUTHORITIES, ASSOCIATIONS AND CITIZENS

The nature of the Group's businesses and the density of its network give it the resources to take practical actions at the heart of the regions. With its long-standing commitment to young people and vulnerable populations, STEF invests in long-term initiatives and ensures that those projects match its expertise and values. To ensure their success, the Group is involved in community actions with experienced partners that, like the Group, are firmly established in the local fabric.

PROFESSIONAL INTEGRATION

Work is a key factor in social integration. As a creator of jobs, the Group intends to be both a contributor and a partner in developing the regions where it operates.

Guidance and integration of young people – Taking on trainees and work-study students, introducing young people to the transport and logistics professions (in partnership with the local agencies in France) helps to encourage them to join this sector. The Group also partners with various associations ("Sport in the City", "Our Neighbourhoods have Talent", "ARPEJEH", etc.) and is involved in career counselling for young people from secondary school onwards (welcoming secondary school students to the sites, visits, workshops, open houses, CV workshops, etc.). STEF also runs a mentoring programme involving secondary and higher education institutions ("Cordées de la Réussite" [Success Stories] with the AgroParisTech foundation in France). In Spain and Italy, site visits are organised in partnership with schools and universities.

Professional Integration - In order to take specific actions to promote diversity and equal opportunities in the labour market, STEF has changed its recruitment practices to CV-free recruitment and agrees to #jenesuispasunCV (I am not a CV). In providing support to people from the priority neighbourhoods of the city policy (Quartier Prioritaire de la Politique de la Ville), STEF is active in these areas in partnership with “Nés & Cité”, a social mediation and recruitment firm, to develop “Aller Vers” (Outreach) among residents of priority neighbourhoods by setting up street-sourcing or job dating in their homes.

35 STEF employee ambassadors

(all professions combined) **work** alongside the young people all year round to assist and advise them.

Jobs & Cité at People's Homes

The candidate-recruiter meeting takes place over a coffee or a meal right in the heart of the neighbourhood: **a moment of conversation to put candidates at ease** by bypassing the traditional recruitment process.

Inclusion and integration of refugees - Several projects have been initiated in France to include refugees. The non-profit organisation, “Tent Partnership for Refugees”, assists the Group in establishing contacts with associations or NGOs. The training and skills development programme is based on two aspects: training in key FFL (French as a Foreign Language) skills and job training. The NGOs also provide social support (housing, civic integration, etc.). Some thirty people with refugee status benefited from this programme at STEF in 2021 and 2022. STEF is also a member of “Refugees Are Talents”, a group of large companies committed to integrating refugees into their companies.

Logistics Week with AFILOG: 16 sites mobilised and 318 participants

Sponsored by several ministries to highlight the vital role of the sector, Logistics Week was an opportunity to welcome city dwellers, local residents, students, elected officials, and the media, and to inform them about STEF's businesses and its economic and environmental commitments.

In keeping with the actions carried out with the local agencies, STEF **is reinforcing its partnership with the job centre** at the regional level. Meetings with the job centre's regional offices were held in 2022 in order to **target local recruitment needs** and thus strengthen local relations.

ACCESS TO FOOD PRODUCTS & THE FIGHT AGAINST FOOD WASTE

As a link between food producers and distributors, the Group collects and transports their goods in optimal conditions, thus guaranteeing their shelf life and avoiding food waste. The Group also agrees to work with associations serving the underprivileged to give them access to food products.

Food banks – In France, many initiatives are organised locally with food banks and local associations, taking into account the current laws on food donations. STEF is committed to consumer safety. Donations can be made by the customer or by STEF with the customer's agreement. In Spain, Portugal, and Italy, many charitable organisations have also been set up.

Les Restaurants du Cœur - In 2022, STEF continued its efforts as part of the three-year sponsorship agreement signed in 2020 with the Restaurants du Cœur. This partnership is based on training courses for volunteers in labour law (21 people in 2022), support for the national collection of food products by providing transport and storage space (640 tonnes in 2022), the collection of donations between manufacturers and Restaurants du Cœur warehouses (2,132 tonnes in 2022) and skills-based sponsorship (transmission of good practices in cold management).

Stanislas Lemor, the Group's Chairman and CEO and Patrice Douret, Chairman of Restaurants du Cœur, signed a new sponsorship agreement (2023-2026).

ENVIRONMENT

In addition to the major commitments made by the Group as part of its environmental policy to combat climate change, STEF continues its work to limit the impact of its activities on the environment and protect citizens' health. The Group's experts participate in various inter-professional working groups in the sector on innovative technologies for transport and cold production.

STEF is one of **18 European companies** and organisations that are part of the **European Clean Truck Alliance (ECTA),** which aims to support decarbonising road freight transport in the EU.

Biodiversity - Preserving biodiversity is an issue the Group has been working on for many years. In 2022, it continued its initiatives (see § Biodiversity P. 58).

Noise Pollution - In 2022, STEF continued its policy of tests and solutions that contribute to limiting noise pollution and discussions with local authorities to meet their demands for urban delivery:

* **vehicles -** All of the Group's new rolling stock meets the PIEK standard. This certification identifies vehicles and equipment that meet a noise emission threshold of less than 60dB (A). In order to mitigate noise pollution during city centre deliveries, STEF chooses the equipment (particularly for onboard cold production) with the lowest noise emission levels on the market and staggers its deliveries throughout the day;

* **refrigerated warehouses and platforms -** The Group's facilities are mainly located on industrial estates. Before they become operational, they are subject to an impact study which includes noise measurements. Most refrigerated facilities are located in machine rooms to reduce the noise from the compression equipment. Specific constructions (containment, bunds) are used to limit noise levels further.

STEF is a member of **"France Logistique",** a professional association that advises French legislative and governmental bodies on **how to promote the energy transition** in transport and logistics.

SUSTAINABLE URBAN LOGISTICS

Urban logistics is a complex issue because the geographical constraints, economic fabric, and environmental challenges vary from one city to another. STEF has agreed to engage in constructive discussions with many cities over the past several years to assist them with their urban logistics policies and the implementation of LEZs (Low Emission Zones). Experiments and specific work have been undertaken in various cities (Paris, Rennes, Nantes, Lyon, Brussels, Florence, and Montpellier, where the Group is participating in the Carreta experiment on self-driving vehicles as part of the future investment programme (FIP) entrusted to ADEME).

* **Internal network of Sustainable Urban Logistics (SUL) contacts** - With its experience and the increased skills of its teams in these areas, STEF has set up its own network of SUL contacts working with the Group's operational departments, local authorities, and professional organisations in France and in countries where STEF operates in order to respond even more effectively to local authorities' expectations.

* **Greater collaboration with specialised SUL bodies -** In 2022, STEF reinforced its ties with organisations dealing with SUL in Europe: TLF and InTerLUD in France (a French programme that supports public and economic stakeholders in developing SUL charters), but also FEBETRA in Belgium, AECOC and UNO in Spain.

* **Participation in the study conducted by Carbone 4 -** STEF participated in a study conducted by Carbone 4 in 2022 to identify barriers to the operational deployment of electric trucks and the solutions to be put in place to overcome them. Conducted in partnership with the NGO Transport & Environnement, it brought together numerous stakeholders and the Greater Lyon Metropolitan Area.

SERVICE PROVIDERS

As a purchaser in various business sectors (transport subcontracting, construction site management, and various supplies), STEF has a proactive, inclusive policy towards its main suppliers and subcontractors, and reinforces CSR criteria in its calls for tenders. This policy is reflected by including CSR clauses in purchasing and subcontracting contracts, signing the Group's Responsible Purchasing Charter, and including CSR criteria in the specifications for calls for tender.

TRANSPORT SUBCONTRACTING

Reducing GHG emissions is a major challenge for the Group. It must also be a major challenge for its transport subcontractors, who account for nearly 65% of its GHG emissions. STEF's ambition is to assist its partners in aligning with its own objectives. Given the inflation situation in 2022, STEF adopted a pragmatic approach to help them reduce their consumption by first training their employees in contact with its partners.

Practical support for transport subcontractors - Created in 2021, the Group's Transport Subcontracting Department is a powerful symbol of STEF's commitment to assisting its subcontractors in reducing their emissions, but also in food safety, customer service, quality, and digitalisation. Taking into account the economic context, the following actions were taken in 2022:

* **extension of the overhaul of contracts with major subcontractors[13]** - In France, contracts with major subcontractors have included environmental commitments from the "Moving Green" approach since 2021. This was also the case for Southern European countries in 2022. With these new contracts, transport subcontractors can agree to the Group's Sustainable Purchasing Charter and commit to reducing their GHG emissions as mentioned in ADEME's Objectif CO_2 charter. Their actions are evaluated every year;

* **deployment of the Energy Savings Certificate (CEE)[14]** system - This system is one of the main tools in the energy demand management policy in France. STEF has joined forces with a specialised organisation to encourage its subcontractors to take part in this approach. In 2022, after a test phase with a panel of transport companies, the approach was launched with 500 transport companies in France;

* **information and awareness-raising on climate issues** - Since 2021, STEF has been notifying its subcontractors to take stock of their fleet and set in motion their transition to more recent rolling stock (Euro VI), particularly in Southern European countries. At the same time, the Group has sought to increase its teams' skills in relation to subcontracting partners on climate issues. The objective is to enhance their mobilisation and support for the "Moving Green" approach, thus providing subcontractors with clear arguments and figures to encourage them to agree to reduce their emissions;

* **internal information and awareness-raising meetings** – 30 educational sessions were held in 2022 on actions and commitments related to climate issues with the transport subcontracting contacts in each country;

* **studies in connection with "Moving Green"** - Two studies were conducted to increase knowledge of the expected benefits of using green energy and to help the Group's transport partners to use it. The first focuses on changes in vehicle consumption and the second on the economic impact of alternative fuels.

Instability and limited visibility in 2022 = impacted action plan

In order to maintain the financial equilibrium of its transport partners, the Group has agreed to take into account the unprecedented increase in the cost of diesel fuel **+50% in 1 year** and NGV fuel (increased 5-fold in 2 years) as well as the inflationary trend in transport costs.

[13] STEF uses transport partners for areas that are not well covered by its own network.

[14] Energy Savings Certificate: French mechanism to fund work and equipment that deliver energy savings.

SUSTAINABLE PURCHASING

Updated in 2021, the Group's Sustainable Purchasing Charter is included in the majority of contracts signed. It sets out the main ethical, social, and environmental commitments to which suppliers are asked to adhere and to apply these principles to their own suppliers. CSR criteria (environmental, social, and societal) are gradually being integrated into calls for tender. They are weighted according to the purchasing category and the critical nature of the service or good.

In France, in 2022

84% of contracts signed in France include the Group's Sustainable Purchasing Charter. Purchasing expenditures in France represent more than **70%** of the Group's total expenditures;

STEF has worked with **126** Adapted Companies and ESATs (Establishments or Assistance Services through Work).

A collaborative approach - Strategic suppliers are regularly evaluated. These evaluations enable internal stakeholders to provide feedback on the products or services provided. They are shared with suppliers and, where appropriate, result in progress plans.
In 2022, the Group also continued to work with equipment and materials suppliers and service providers to reduce fuel consumption and CO_{2e} emissions through increasingly efficient engines, fleet renewal, the use of fuel-efficient tyres and optimising the weight and aerodynamics of equipment (refrigerated boxes and refrigeration units).

Committed Suppliers. STEF gives priority to purchasing services from companies that agree to environmental and socially inclusive approaches.

✱ A broad based ambition - In France, orders for low GHG energy vehicles have picked up in 2022 with 290 vehicles ordered. Tests with thinner stretch film were conducted at three sites in France to reduce both the weight of the film used and the carbon footprint. Deliveries of office supplies were optimised with a re-evaluation of the minimum order size to reduce the number of deliveries. Communications campaigns were launched to promote sustainable products (+53% in 2022) and the supply of recycled paper, which saw a significant increase in orders (almost +30% in 2022).
An agreement on repairing work clothes was entered into with the service provider in order to avoid frequent replacement.
In Spain, experiments are being conducted with recycled plastic stretch film and thinner pallet cover sheets. In the Madrid region, the Group also began a circular economy project to maximise the value of the organic part of the sites' waste.

STEF prioritises local sourcing!

95% national suppliers in France.

✱ A policy extended to service providers - In France, a new service provider with adapted company approval has been approved to sort waste from administrative sites.
In Spain, STEF favours suppliers with a strong social and solidarity commitment (cleaning companies for the Málaga, Valladolid, and Salamanca sites, temporary employment agencies through projects carried out in partnership with the Eurofirms Foundation).

290 low GHG energy vehicles are on order to be added to STEF's fleet

10 electric vehicles.
69 natural gas vehicles.
211 vehicles running on B100.

GOVERNANCE AND ETHICS

GOVERNANCE

Executive Committee

STEF's CSR approach is structured at the Group level and is steered by the Executive Committee. The Executive Committee defines the framework of the CSR policy, determines the action plans and ensures that they are monitored, and sets the objectives and performance indicators. Over the last two years, it has determined the "Climate 2030 commitments" and the "MIX'UP" approach to professional equality and gender diversity.

The Board of Directors

Given the decisive nature of CSR commitments, the Board of Directors has chosen not to set up a CSR Committee but to meet twice a year as a CSR Committee to ensure that each Board member is directly involved in the policies that are adopted and so that they can interact closely with the people responsible for implementing the projects in the company. This way, an ongoing dialogue has been established with the entire Board and everyone is notified in a consistent, comprehensive manner about the issues being addressed. The Board reviews the monitoring of CSR action plans, the achievement of objectives and performance indicators.

The Sustainable Development and Corporate Social Responsibility Departments

They are in charge of deploying the CSR policy, coordinating the various internal stakeholders, listening to them, monitoring and executing the action plans. Their role is explained in detail in the section "CSR process management".

Internal contributors and steering committees

The departments involved (Sustainable Development, Human Resources, Transport Subcontracting, Purchasing, Food Safety, etc.) propose CSR guidelines in line with the company's general strategy and the expectations of the Group's identified stakeholders.
They then deploy their roadmap, propose tools and methods to implement them, contribute to the defined performance monitoring indicators, and propose progress plans as part of a continuous improvement process.
To do this, they rely on a network of advisors covering all the countries where the Group operates, as well as on the Group's Communications Department to share information on projects related to these roadmaps.
For each issue that is deemed strategic, steering committees ensure that the regulations are properly applied, that they are implemented at the Group level, and that the action plans are properly synchronised in order to ensure that the CSR officers are involved in a consistent manner throughout the Group's organisation, regions, and countries.

ETHICS AND BUSINESS CONDUCT CHARTER

The governance policies adopted by STEF contribute to business ethics and help to respect the areas covering human rights and fundamental freedoms and the health and safety of the people in the 8 countries where the Group operates.

STEF's ethics and business conduct charter contains the standards for good business practices applicable in the Group, as well as the provisions of the Sapin II Law. STEF has set up an organisation, tools and a procedure that it can use to comply with these obligations.

The ethics and business conduct charter defines the behaviour standards to be respected by all employees in situations presenting risks of corruption and influence peddling. It follows the Middlenext reference system to which STEF has chosen to refer. The ethics and business conduct charter appears on STEF's intranet and internet sites. An external whistleblowing platform (EQS Integrity Line) completes the system.

A training module has been set up using a personalised e-learning format which is aimed at the 1,200 executives, managers, and employees who, due to their roles, are likely to face situations of corruption or influence peddling. This scheme was presented to all management committees for central functions and business units. From 2023 onwards, it will be incorporated into the internal training course system in order to make it even more automatic for all identified employees to take the training course.

MONITORING PLAN

STEF's monitoring plan presents the reasonable due diligence measures established within the Group to identify risks and prevent serious breaches regarding human rights and fundamental freedoms, the health and safety of people and the environment resulting from the Company's activities and those of its consolidated subsidiaries and the activities of subcontractors or suppliers with which the Group maintains established business relationships (pursuant to Article L. 225-102-4 of the French Commercial Code).
STEF operates in Europe in economic and socio-cultural environments with few structural differences; consequently the plan can be deployed uniformly throughout the Group. The Group's business model is set out in the first section of the Economic and Financial Planning document.

METHODOLOGY AND DRAFTING OF THE MONITORING PLAN

The drafting of this STEF Monitoring Plan brought together the Group's main functions (Human Resources, Sustainable Development Department, Purchasing, Business Unit, Internal Audit, Food Safety, Company Secretary). This plan specifies the rules and provisions that enable the Group to identify and prevent actual or potential breaches related to its activities and to limit their effects, where necessary. Ongoing discussions with internal and external stakeholders have long been used to involve them in the choice of actions carried out and their deployment.

ENVIRONMENTAL MONITORING PLAN

The mapping of STEF's environmental risks results in impacts on:

* **the climate,** through GHG (greenhouse gas) emissions mainly resulting from hydrocarbon combustion (vehicle traction and operating onboard refrigerated units, ship propulsion) and, to a lesser extent, electricity consumption (quayside supply for vessels, refrigeration of platforms), and refrigerant emissions for maintaining the cold production facilities of the warehouses and platforms;
* **air quality,** through emissions into the atmosphere (NOx, HC and particles) during hydrocarbon combustion (vehicle traction and operating onboard refrigerated units, ship propulsion and berthing);
* **food safety** which emerges as a major challenge for the company given STEF's principal activity, temperature-controlled logistics for food products.

In order to reduce its emissions, STEF has implemented a structured process resulting in specific investments (ongoing replacement of its vehicle fleet and facilities, quayside electrical supply for ships, particulate filters for La Méridionale), combined with proactive accreditation and certification policies.

HUMAN RESOURCES AND FUNDAMENTAL RIGHTS MONITORING PLAN

The STEF Group complies with the social regulations in force in each of its operating countries. In addition to the fundamental principles set out in the Group's ethics and business conduct charter relating to the respect for human rights, STEF has chosen to focus its actions on a policy of diversity and equal opportunities. This is currently being deployed in each of its operating countries. A Group Health and Safety at Work roadmap is applicable to each country and each organisation.

It is comprised of different themes:

- supervision of the Health, Safety, and Working Conditions process by management;
- risk control and prevention:
  - integration of the HSW process upstream, from the design of facilities, work processes, vehicles, or handling machines;
  - major risks in terms of HSW have been identified:
    - accidents related to the use of vehicles or handling equipment in the warehouses;
    - musculoskeletal disorders;
    - substance abuse and addictive behaviours.
  - principle of supervision and monitoring managed directly by the operating sites: risk evaluation documents, accident monitoring indicators (frequency and severity rates) consolidated at country and Group level;
  - deployment of the Health and Quality of Working Life procedure:
    - redesign of the range of work clothes;
    - programme for the prevention of psycho-social risks;
    - improved working environments;
    - actions promoting fulfilment at work for employees: work/life balance, health practices, and employee support.
  - targeted communication at all levels of the organisation in order to share a common culture.

RELATIONSHIPS WITH SUPPLIERS AND SUBCONTRACTORS

(See § Service providers) p. 90.

TRAINING AND INFORMATION

The standards for good business practices are set out in the Group's code of ethics and business conduct charter. The Group has set up a specific e-learning training course and whistleblowing mechanism to fight corruption. Finally, the Group relies on a community of European correspondents for deploying action plans and communicating rules on HR, Occupational Health and Safety, and Environmental issues.

ALERTS AND WHISTLEBLOWERS

The Group has an alert and whistleblowing mechanism via an external digital platform for collecting alerts "https://stef.integrityline.org" for situations potentially presenting risks of corruption and influence peddling. This whistleblowing mechanism has been extended to cases of discrimination, harassment in all its forms and gender-based violence, which until now have been dealt with through management channels.
Contentious cases may also be reported through the management channel, depending on the Group's organisation and the hierarchical complaint mechanisms contained in the Group's ethics and business conduct charter.

METHODOLOGICAL NOTE

The STEF Group's extra financial information is published in accordance with the obligations arising from Order 2017-1180 dated 19 July 2017 and the Decree dated 9 August 2017 which made it possible to take the necessary provisions for the transposition of Directive 2014/95/EU:

* **scope -** The information is provided for the entire Group. Companies consolidated within the Group during external growth operations are included by default in year N+1. Potential differences in scope are specified for each relevant indicator;

* **acquisitions 2022**

Company	Frigosuisse	TTC logistica frigorifica	SVAT
Date consolidated	June 2022	July 2022	December 2022
Number of employees	50-100	50-100	200-300
Turnover	13 million CHF	€6.5 M	€69 M
Activity	Frozen storage	Fresh/frozen transport	Frozen transport
Environmental KPIs	Fully included	Excluded	Excluded
Workforce	Fully included	Fully included	Fully included
Social KPIs	Excluded	Excluded	Excluded
Food safety	Excluded	Excluded	Excluded
Maintaining the highest level of customer satisfaction by integrating their CSR objectives	Fully included	Fully included	Fully included
Including our transport subcontractors in our CSR approach	Fully included	Fully included	Fully included
Including our suppliers in our CSR & Sustainable Purchasing approach	Excluded	Excluded	Excluded

* **selecting information and KPIs -** Information was selected due to its relevance regarding STEF's major CSR issues and risks. The following topics, required by Article L. 22-10-36 of the French Commercial Code, are excluded because they are not relevant to STEF's operations: the fight against tax evasion, fight against food insecurity, respect for animal welfare and responsible, fair and sustainable food production and actions to promote physical activity and sports;

* **information collection and assessment -** The methods for reporting information are defined in an internal protocol (annually, over twelve months of the calendar year);

* **carbon footprint -** the emission factors used are those published by ADEME, and the calculation is based on emissions from vehicles and buildings currently in use;

* **external audit -** The extra financial information published has been audited by an Independent Third Party Organisation, and the information identified by the sign has been verified with a reasonable level of assurance[15].

[15] The level of reasonable assurance, symbolised by the logo , is a voluntary procedure by the STEF Group. It requires more in-depth work by the Independent Third Party Organisations (ITPO) than is required for limited assurance.

INDEPENDENT THIRD PARTY REPORT ON THE AUDIT OF THE CONSOLIDATED EXTRA FINANCIAL PERFORMANCE STATEMENT IN THE MANAGEMENT REPORT

Year ended 31 December 2022

TO THE SHAREHOLDERS,

In our capacity as an Independent Third Party Organisation, a member of the Mazars network and as the STEF company's Statutory Auditors, accredited by the COFRAC Inspection under number 3-1058 (accreditation scope available on the www.cofrac.fr website), we have conducted a review to provide a reasoned opinion expressing a moderate assurance conclusion on the historical information (reported or extrapolated) in the consolidated extra financial performance statement, as well as at the Company's request and outside the scope of accreditation, a reasonable assurance conclusion on selected information, prepared in accordance with the company's procedures (hereinafter the "Reporting Criteria"), for the financial year ending 31 December 2022 (hereinafter respectively the "Information" and the "Statement"), presented in the Group's management report in accordance with the provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

CONCLUSION

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and on the information we obtained, we found no material misstatements that call into question the compliance of the consolidated extra-financial performance statement with the applicable regulatory requirements and the fair presentation of the information taken as a whole, in accordance with the Accounting Standards.

COMMENT

Without prejudice to the conclusion expressed above and in accordance with the provisions of Articles A. 225-3 of the French Commercial Code, we make the following comments:
For some social indicators, historical data for the previous year is not presented in the Statement as required by Article R. 225-105-1 of the French Commercial Code.

REASONABLE ASSURANCE REPORT ON SELECTED INFORMATION

Regarding the information selected by the Company[16] and identified by the sign in the Statement, at the Company's voluntary request, we conducted work of the same nature as that described in the paragraph "Nature and extent of the work" below for the key performance indicators and for the other quantitative results that we considered most important, but in greater detail, particularly regarding the number of tests. The sample selected represented 71% of the workforce and between 61% and 78% of the environmental information selected by the Company. We believe that this work allows us to express reasonable assurance concerning the relevant information.

REASONABLE ASSURANCE CONCLUSION

In our opinion, the information selected by the Company and identified by the sign in the Statement has been established,

[16] See Appendix 1

in all material respects, in accordance with the Accounting Standards used.

PREPARATION OF THE EXTRA FINANCIAL PERFORMANCE DECLARATION

The lack of a generally accepted and commonly used framework or established practice upon which to assess and measure information allows for the use of different, but acceptable, measurement techniques that may affect comparability between companies over time.
Therefore, the information should be read and understood by referring to the Accounting Standards, whose significant elements are presented in the Statement and are available upon request from the company's headquarters.

LIMITATIONS ASSOCIATED WITH PREPARING THE INFORMATION

As indicated in the Statement, the Information may be subject to uncertainty due to the state of scientific or economic knowledge and the quality of the external data used. Some information is affected by the methodological choices, assumptions and/or estimates made when preparing it and presented in the Statement.

CORPORATE SOCIAL RESPONSIBILITY

It is the Board of Directors' responsibility to:

- select or establish appropriate criteria for preparing the Information;
- prepare a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main extra financial risks, a presentation of the policies applied with regards these risks and the results of these policies, including the key performance indicators and furthermore the Information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- and implement whatever internal control procedures it deems necessary to ensure that the Information is free from material misstatement as a result of fraud or error.

The Statement has been prepared by applying the company's Accounting Standards as mentioned above.

THE INDEPENDENT THIRD PARTY ORGANISATION'S RESPONSIBILITY

Our role, based on our audit, is to formulate a reasoned opinion expressing a limited assurance conclusion on:

- the Statement's compliance with the provisions of Article R. 225-105 of the French Commercial Code;
- the sincerity of the historical information (reported or extrapolated) provided under 3° of I and II of Article R. 225-105 of the French Commercial Code, namely the results of the policies, including the key performance indicators and the actions relating to the main risks.

Since it is our responsibility to reach an independent conclusion on the Information as prepared by management, we are not permitted to be involved in preparing the Information, as this could compromise our independence.

Our role is also to express, at the company's request and outside the scope of accreditation, a reasonable assurance conclusion on the fact that the Information selected by the company[17] has been established, in all material respects, in accordance with the Accounting Standards used.
It is not our place to comment on:

- the company's compliance with other applicable legal and regulatory provisions (in particular with regard to the information required under Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and combating corruption and tax evasion);
- the truthfulness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the products' and services' compliance with the applicable regulations.

REGULATORY PROVISIONS AND APPLICABLE PROFESSIONAL STANDARDS

We conducted the following work in accordance with the provisions of Articles A. 225 1 et seq. of the French Commercial Code, the professional standards of the national auditing body (Compagnie Nationale des Commissaires aux Comptes) for this work in lieu of an audit programme and the international standard ISAE 3000 (revised).

[17] Workforce as of 31/12, Number of training hours per employee, Absenteeism rate, Staff turnover, Frequency rate and severity rate, Percentage of women in the Group workforce, Diesel consumption at 100 km for own fleet (STEF France), CO_2 emission per tonne per kilometre, Breakdown of refrigerants by type in fixed facilities, Electricity consumption per tonne at berth, Pollutant emissions per tonne per kilometre, Installed photovoltaic power, Number of visits and average ratings obtained during health inspections by the authorities (STEF France), Number of training hours and number of people trained in health and safety, Percentage of contracts with a sustainable purchasing charter signed (STEF France), Number of meetings held with transport subcontracting contacts, Number of CSR customer requests processed.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the professional code of ethics for Statutory Auditors. In addition, we have established a quality control system that includes documented policies and procedures to ensure compliance with the applicable laws and regulations, the rules of ethics and professional standards of the national auditing body (Compagnie Nationale des Commissaires aux Comptes) for this work.

MEANS AND RESOURCES

Our work used the skills of 4 people and took place between November 2022 and March 2023 over a total procedure time of 3 weeks.
Our sustainable development and CSR experts assisted us in our audit. We conducted around fifteen interviews with the people responsible for preparing the Statement, representing in particular the Executive Management, Management Control Department, Sustainable Development Department, Human Resources Department, Health and Safety Department, Transport Subcontracting Department, and Purchasing Department.

NATURE AND EXTENT OF THE WORK

We planned and performed our work taking into account the risk of material misstatements of the Information:

- we believe that the procedures that we carried out using our professional judgement have enabled us to express a moderate assurance conclusion;
- we reviewed the activity of all the companies included in the scope of consolidation and the exposure to the main risks;

- we assessed the appropriate nature of the Accounting Standards with regards its relevance, exhaustiveness, reliability, neutrality and clarity, taking into consideration industry good practice, where necessary;

- we verified that the Statement covers every category of Information set out in III of Article L. 225 102 1 regarding social and environmental issues, as well as the respect of human rights and combating corruption and tax evasion;

- we verified, when it was relevant with regard to the main risks presented, that the Statement presents the information set out in II of Article R. 225-105, and where applicable, that it includes an explanation of the reasons justifying the absence of Information required by the 2nd paragraph of III of Article L. 225-102-1;

- we verified that the Statement presents the business model and a description of the main risks related to the activity of all the companies included in the scope of consolidation, including, if necessary and proportionate, the risks created by their business relations, products or services together with the policies, actions and results, including the key performance indicators associated with the main risks;

- we consulted documentary sources and conducted interviews to:
  - assess the selection and validation process for the main risks and the consistency of the results, including the key performance indicators selected with regard to the main risks and policies presented and
  - corroborate the qualitative information (actions and results) that we considered most important presented in Appendix 1. For some risks, Transition to low-carbon energy, Sustainable Purchasing, Integration of suppliers and subcontractors in a collaborative approach, and Quality of customer relations, our work was carried out at the level of the parent company, for other risks, work was conducted at the level of the parent company and in a selection of companies.

- we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16 within the limits specified in the Statement;

- we reviewed the internal control and risk management procedures implemented by the company and assessed the collection process aimed at providing complete and sincere Information;

- for the key performance indicators and other quantitative results that we considered most important presented in Appendix 1, we implemented:
  - analytical procedures that involved verifying the correct consolidation of the data collected and the consistency of its development;
  - detailed tests based on samples or other selection means that involved checking the correct application of the definitions and procedures and reconciling data with the supporting documents. This work was conducted with a selection of contributing companies[18] and covered between 61% and 100% of the consolidated data selected for these tests.

- we assessed the consistency of the entire Statement compared with our knowledge of all the companies included in the scope of consolidation.

The procedures applied as part of a moderate assurance audit are less extensive than those required for a reasonable assurance audit performed in accordance with the professional standards of the national auditing body (Compagnie Nationale des Commissaires aux Comptes). The procedures applied for the reasonable assurance audit required more extensive audit work.

The independent third party organisation, Mazars SAS

Paris La Défense, 14 March 2023

Anne-Laure Rousselou
Associate
Edwige Rey
CSR and Sustainable Development Associate

Appendix 1: Information considered most important

Qualitative information (actions and results) relating to the principal risks.

* Human capital
* Training and skills management
* Recruiting and retention
* Employee health and safety
* Gender diversity
* Reducing energy consumption
* Reducing GHG emissions
* Air quality
* Transition to low-carbon energy
* Food safety
* Sustainable Purchasing
* Integration of suppliers and subcontractors in a collaborative approach
* Quality of customer relations

Quantitative indicators audited under reasonable assurance.

* Workforce as of 31/12
* Average number of training course hours per employee
* Staff turnover
* Absenteeism rate
* Staff turnover
* Percentage of women in the Group workforce
* Diesel consumption at 100 km for own fleet (STEF France)
* Electricity consumption per tonne at berth
* Breakdown of refrigerants by type in fixed facilities
* GHG emission in kgCO_2/tonne.kilometre
* Emissions of air pollutants (Nox and HC) and particulate matter / tonne.kilometre
* Installed power of solar power plants
* Number of food safety training course hours per employee
* Number of official health inspections conducted (France)
* Average ratings obtained during official health inspections (France)
* Percentage of contracts with a sustainable purchasing charter signed (France)
* Number of meetings held with transport subcontracting contacts
* Number of CSR customer requests processed

[18] STEF France and STEF Belgique

CORPORATE GOVERNANCE

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Chairman and Executive Management

The positions of Chairman and Chief Executive Officer were reunited: Mr Stanislas Lemor is the Chairman and Chief Executive Officer.
Mr Marc Vettard is Deputy Chief Executive Officer in charge of operations. He assists the Chairman and Chief Executive Officer in managing the Group's business.
The Chief Executive Officer has full authority to act on behalf of the Company in any circumstances.
He exercises these powers within the limits of the corporate purpose and subject to the powers that the law expressly assigns to the Shareholders' meetings and the Board of Directors.

The Board of Directors

On the date of the report, the Board of Directors comprises 11 members, one of whom represents employee shareholders, Ms Hensgen-Stoller, and two of whom represent the employees: Mr Benhamouda and Mr Rambaud.

OFFICES AND POSITIONS HELD BY DIRECTORS

Composition and offices held on the date the Board of Directors closed the accounts - 9 March 2023.

Administrator's name and position	Independent Director	1st appointment	Term of office expires	Appointments and Remuneration Committee	Audit Committee	CSR Committee	Expertise provided to the Board of Directors
Mr Stanislas Lemor Chairman and Chief Executive Officer Chairman of the Board of Directors	No	2019	2025	—	—	Position held directly by the Board	Strategic vision
Atlantique Management Represented by F. de Cosnac	No	2010	2026	—	—		Finance
Mr Ahkim Benhamouda Employee Representative	No	2021	2027	—	—		Knowledge of the company
Ms Sophie BREUIL	Yes	2020	2026	—	Yes		Internal Control - Finance
Mr Jean-Charles Fromage	No	2005	2027	—	—		Knowledge of the Group - Business Lines
Mr Bernard Jolivet	No	1996	2026	—	Yes		Knowledge of the Group - Business Lines
Ms Estelle Hensgen-Stoller Employee Shareholder Representative	No	2013	2025	—	—		Customer Knowledge - Business Issues
Ms Murielle LEMOINE	Yes	2011	2023	Yes	Yes Chairperson		Strategy - Ethics
Ms Lucie Maurel-Aubert	Yes	2017	2023	Yes Chairperson	—		Finance-Governance
Mr Dominique Rambaud Employee Representative	No	2019	2027	—	—		Knowledge of the company
Mr Maxime Vandoni	Yes	2022	2026	Yes	—		Knowledge of the agri-food industry

Offices held by the members of the Board of Directors and Executive Management on the date the financial statements were approved (9 March 2023)	
Last name, first name, position	**Offices**
Mr Stanislas Lemor Chairman and Chief Executive Officer	Director of STEF since 30 April 2019 Director of STEF Transport Saintes, STEF Logistics Saintes, STEF Logistics Courcelles, and STEF Transport Nazareth (Belgium) Chairman of STEF Italia Holding S.R.L., STEF Logistics Italia S.R.L., STEF Frozen Italia S.r.L, and Director of STEF Italia S.P.A. (Italy) Director of STEF Iberia (Spain) and Director and Vice-Chairman of STEF Suisse (Switzerland) Permanent representative of STEF on the Board of Directors of GEFA and IMMOSTEF, Director of Primever and Primever IMMO Deputy Chief Executive Officer of UEF Member of the Board of Directors of France Logistique
Atlantique Management Represented by F. de Cosnac	Director of Immostef and UEF, permanent representative of UEF, Director of Atlantique Management, Chairman of Gerignac SAS and Géribourg, Manager of FDC Conseil Patrimoine, Vice Chairman of the Supervisory Board of Auris Gestion Privée
Mr Ahkim Benhamouda	
Ms Sophie Breuil	Chairperson of SAS HâpyFew
Mr Jean-Charles Fromage	Corporate Director of Atlantique Management and La Méridionale, Director of Primever and Primaver
Mr Bernard Jolivet	Chairman & CEO of Atlantique Management
Ms Murielle Lemoine	Corporate Director of Crédit Agricole Assurances, Director of SER and of the company IMMOSTEF
Ms Estelle Hensgen-Stoller	
Ms Lucie Maurel-Aubert	Vice-Chairperson of Rothschild Martin Maurel Associés, Vice-Chairperson of the Supervisory Board of Rothschild and Co, Director of the SNEF Group and Plastic Omnium
Mr Dominique Rambaud	
Mr Maxime Vandoni	Managing Director of Unigrains, terms as Chairman and/or Corporate Manager in companies belonging to the Unigrains Group (Director and Chairman of Messis Finances, Director and Managing Director of Unigrains Equipements, permanent representative of the company Unigrains in the company Unigrains Développement, Managing Director of Agricéréales and Unicéréales), Director of SAIAM, permanent representative of the company Unigrains, Chairman of Andreia Conseil
Executive Management	
Mr Marc Vettard Deputy Chief Executive Officer	Chairman of STEF Logistique and STEF Transport Director of IMMOSTEF Chairman of the Board of Directors of STEF Italia S.P.A, Director of STEF Italia Holding S.r.L., STEF Logistics Italia S.r.l., and STEF Frozen Italia S.r.L. (Italy) Chairman of the Board of Directors of STEF Iberia (Spain) Director of STEF Transport Saintes, STEF Logistics Saintes, STEF Logistics Courcelles, and STEF Transport Nazareth (Belgium) Director of Primever Permanent representative of STEF Transport on the Board of Directors of Froidcombi Director of Atlantique Management since 18 October 2022 Director of Chaîne Logistique du Froid

Terms of office ended during 2022	
Ms Dorothée Pineau	Member of the Supervisory Board of Chevrillon & Associés and ACA (Aéroports Côte d'Azur), Director of Axa Lard SA, Co-Manager of DP Conseil Sarl, Corporate Manager of the Vérigny, Heyrault, and D2Pconseil SCIs (real estate investment companies)
Allianz Vie represented by Mr Rémi Saucié	Offices held as Chairperson and Corporate Manager in the member companies of the Allianz Group

TERMS OF OFFICE AFTER THE GENERAL SHAREHOLDERS' MEETING OF 27 APRIL 2023

Ms Maurel-Aubert's term of office will expire at the end of the General Shareholders' Meeting on 27 April 2023.
It is proposed to this meeting to appoint Ms Ruxandra Ispas as a director.
Ms Ispas will contribute her knowledge of the food supply chain environment and the food service market, purchasing and digital technology to the Board of Directors.
Subject to the appointment of Ms Ruxandra Ispas and the reappointment of Ms Murielle Lemoine, the Board of Directors will remain composed of 11 members with:

* four independent directors, a ratio of 36%: Ms Breuil, Ms Lemoine, Ms Ispas, and Mr Vandoni;
* an equality ratio of 44% with 4 women on the Board: Ms Breuil, Ms Lemoine, Ms Ispas, and Ms Hensgen-Stoller (the two directors representing the employees are not taken into account for the denominator).

Equality ratio
44%

Independent directors
36%

RULES OF PROCEDURE FOR THE BOARD OF DIRECTORS

The Rules of Procedure for the Board of Directors organise the operation of the Board of Directors within the legislative and regulatory framework applicable to the Company. They determine the scope of the Board of Directors' responsibility and that of its members, its mode of operation and that of the Audit Committee and the Remuneration and Appointments Committee. They also include the Director's charter.

THE COMPANY'S CORPORATE GOVERNANCE CODE

The Corporate governance code that the Company refers to is the Middlenext Code. The Board of Directors believed that the Middlenext Code provided governance principles better suited to STEF's size and capital structure.
The Company has taken into account the 22 recommendations of the Middlenext code.

Recommendation statement (R)	Application in STEF
R1: Ethical conduct of Board members	STEF has established rules of procedure for the Board of Directors, along with a Directors' Charter that governs how the Board of Directors operates. The rules of procedure establish the ethical standards to be observed by Board members: exemplary behaviour, reporting any conflicts of interest, compliance with legal and regulatory requirements regarding reporting transactions and the period for refraining from trading in the Company's shares, attendance and participation in Board and Committee meetings, strict confidentiality, and participation in General Shareholders' meetings.
R2: Conflicts of interest	The Board of Directors' rules of procedure contain provisions for reporting and handling potential conflicts of interest. Board members agree to disclose to the Board any conflicts of interest, including potential conflicts of interest, in relation to their duties and shall refrain from participating in the discussions and voting on the corresponding deliberations.

R3: Board Composition - Independent members	The Board of Directors includes four independent directors pursuant to the Middlenext Code that defines the independence of Directors as the absence of any shareholding, financial, salary, contractual or close family relationship that could affect their independent judgement. These Directors are Ms Breuil, Ms Lemoine, Ms Maurel-Aubert, and Mr Vandoni. The ratio is 36%.
R4: Information for Board members	For each Board meeting, a meeting notice shall be sent out approximately fifteen days in advance. In the days preceding a meeting, each Director receives a file containing the documents relating to the main topics on the agenda. Directors can ask any questions they wish and the minutes of the meetings are fully documented.
R5: Training for Board members	A specific training plan exists for the Directors representing the employees so that they have the necessary information, concerning their role and responsibilities, to properly understand their duties. The Board of Directors' self-assessment questionnaire allows all directors to express their desire to receive additional information on specific topics in order to better understand the scope of their mission and the challenges facing the company (a site visit each year, knowledge of the Group's businesses, and the business sector).
R6: Organisation of Board and committee meetings	The Board meetings are planned for the following year based on a tentative calendar and there are five of them. Other meetings may be scheduled depending on the nature and urgency of the issues to be addressed. Meetings usually last three hours. Files are sent as far in advance as possible. The same principle is applied to the Committees.
R7: Establishment of committees	The Board of Directors has two committees: the Audit Committee and the Appointments and Remuneration Committee.
R8: Establishment of a specialised committee on Corporate Social Responsibility (CSR)	Given the decisive nature of CSR commitments within the Group, the Board of Directors has chosen to meet directly as a CSR Committee twice a year (and therefore not to set up a CSR Committee). Each member of the Board is thus directly involved in the decisions that are made and can interact closely with the managers responsible for implementing the projects in the company. This way, the entire Board has access to comprehensive, consistent information on CSR issues.
R9: Establishment of Rules of Procedure for the Board	The Board of Directors' Rules of Procedure are available at www.stef.com in the Governance section.
R10: Selection of each "Board member"	For each appointment, the necessary information on the candidate's biography, experience and expertise is posted online prior to the General Shareholders' Meeting. Information on Board members is included in the Corporate Governance Report.
R11: Tenure of "Board members"	The statutory term of office is six years. This length of time seems necessary for developing a detailed knowledge of the Company's problems and challenges and for fostering relevant discussions. Terms of office are naturally renewed in stages as they expire.
R12: Remuneration of Board members for their mandate	Directors' fees are allocated to the directors and committee members according to a budget determined by the General Shareholders' Meeting. The distribution of remuneration is decided by the Board and is based on the directors' attendance.
R13: Establishment of Board evaluation	There is a self-assessment process for the Board of Directors that is conducted every two years. Each director is asked to give their opinion on how the Board and its Committees operate via a questionnaire on eight topics: the Board's role and powers, its members, the way in which meetings are held and how they operate, information for the Board and directors, the directors' remuneration policy, relations within the Board, the ethics of members and, finally, how the specialised Committees operate. In 2022, the presentation of the assessment results and the discussions in the meeting made it possible to jointly draw up an action plan (getting the Board to include business skills, interaction with company directors on specific subjects, site visits).
R14: Relations with shareholders	Via the financial report and the annual report, the Board endeavours to provide the most detailed information possible to enable all shareholders to have a good overview of the company and also to express an informed vote.

R15: Company equity and diversity policy	The Group has set up a “professional equality/professional diversity” committee which coordinates and deploys initiatives in this area. The Board of Directors was presented with its roadmap for gender equality, in particular the commitment to increase the proportion of women in the company by 25% by 2030. Social initiatives including this topic are discussed by the Board of Directors at least once a year (analysing the progress of the situation, monitoring action plans, management charts and indicators). STEF Group's “MIX'UP” approach is explained in detail in the Economic and Financial Planning document. Gender equality on the Board of Directors: The gender equality rate on the Board of Directors is 44%. The Company complies with the requirements of Article L. 225-17, paragraph 2 of the French Commercial Code on balanced representation of women and men on the Board of Directors.
R16: Definition and transparency of the remuneration of corporate officers	The policy and information relating to the remuneration of executive directors is described in the Corporate Governance Report.
R17: Succession planning for “managers”	The Executive Management of the Group is responsible for changes to governance and these changes are discussed with the Appointments and Compensation Committee.
R18: Combination of employment contracts and corporate mandate	The employment contracts of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer were suspended at the time of their appointment.
R19: Severance pay	Commitments exceeding the conventional limits were subject to meeting the performance criteria, assessed against those of the company and which are the achievement of an annual increase in consolidated turnover and operating profit. See details of the system in the report on the remuneration policy for senior executives.
R20: Supplementary pension schemes	There are no supplementary pension benefit schemes.
R21: Stock options and allocation of free shares	The Company has set up a performance share plan for approximately 120 executives. The final allocation of performance shares is subject to relevant performance conditions reflecting the company's long-term interests and assessed over a period of 3 years. See the details of the scheme in the section “Long-term profit-sharing plan – performance shares”.
R22: Review of the Middlenext Code’s points to be watched	The process of reviewing the points for improvement and watch-points is carried out each year when the governance report is drawn up and also during the self-assessment of the Board's work.

PREPARATION AND ORGANISATION OF THE BOARD OF DIRECTORS' ACTIVITIES

1. Organisation of the Board of Directors' Activities

The Chairman of the Board of Directors will convene the Board as often as he deems appropriate. Five meetings were planned according to a provisional schedule, other meetings are optional depending on the corporate interest.

Each Director is individually requested to attend each Board of Directors meeting; calls to attend are sent approximately 15 days before each meeting. The calls to attend are sent together with the meeting’s agenda and a draft of the minutes of the previous meeting. In the days preceding a meeting (usually five days), each Director receives a file containing the documents relating to the main topics on the agenda.

The articles of association and rules of procedure of the Board of Directors set out the terms for the Directors' participation at Board meetings, which are held via video conferencing.

The issues likely to be dealt with and decisions made by this mode of participation are governed by the applicable laws and regulations.

The attendance rate of Directors at Board meetings in 2022 was 90% (92% in 2021).

2. Board of Directors' Activities

The projected results of the past year forecast results from the preceding year and the main components of the budget for the current year are usually discussed at the meeting which is held at the end of January.

Board of Directors' attendance rate

90%

The meetings in March and the end of August are mainly devoted to approving the annual and half-yearly accounts. The meeting held as a result of the Shareholders' Meeting in May is normally used to implement the share buyback programme repurchasing plan voted by the Shareholders' Meeting. In December, the Board examines any changes to the Group's business over the current financial year and compares it to the updated budget projection. Twice a year, the Board of Directors devotes two meetings to reviewing and monitoring CSR policy within the Group.

At every board meeting, the Group's results from the previous month are analysed. Furthermore, every month, the Directors receive financial data with comments enabling them to assess the Group's performance for the previous month.

Considering the topics to be discussed, the Board of Directors met six times in 2022.

The Board of Directors considers the advice of two specialised committees which report to it through their respective chairmen.

COMMITTEES OF THE BOARD OF DIRECTORS

1. The Audit Committee

The Audit Committee is comprised of three members: Ms Breuil, Ms Lemoine, and Mr Jolivet. Ms Murielle Lemoine, an independent director, chairs the Committee.

In addition to the functions relating to the review of accounting and budgetary statements, the Audit Committee is responsible for monitoring the effectiveness of internal control and risk management systeMs In this context, it ensures the establishment of the internal control and risk management procedures and the adequacy of assignments undertaken by the internal audit department in terms of these issues and the effectiveness of the checks performed on identified risks.

The Audit Committee defined its mode of operation, for both its internal functioning and in respect of its contacts within the company, and specified its field of action. Members of Executive Management and representatives of financial management and the internal audit department may be seen by the Audit Committee, as well as the statutory auditors.

The Audit Committee met three times in 2022 with an attendance rate of 100% (same as 2021).

At the sessions preceding the Board of Directors' meetings to prepare the annual and half-yearly accounts, the Committee reviews the presentation of the accounting statements submitted to it.

In December, the Audit Committee reviews the work conducted by the audit department over the past year, the analysis of reports on specific assignments, the examination of the internal audit work schedule for the coming year and, finally, the review of the statutory auditors' fees.

2. Company Officers' Remuneration and Appointments Committee

This Committee is comprised of three members: Ms Maurel-Aubert, Ms Lemoine, and Mr Vandoni. Ms Maurel-Aubert, an independent director, chairs the Committee.

The Committee is responsible for making recommendations to the Board of Directors for determining senior executives' remunerations. The Chairman of the Board of Directors participates in the work of the Committee, presenting the elements for achieving the objectives set for the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer.

In addition, the Committee makes recommendations to the Board on its composition by giving its opinion on the renewal of directors' terms of office or on the appointment of new directors.

In addition, the Committee reviews the draft allocation plan for performance shares.
The Committee met once in 2022 with an attendance rate of 100% (100% in 2021).

Committee attendance rates

100%

REMUNERATION OF COMPANY OFFICERS

The remuneration policy for senior executives is determined in accordance with Articles L.22-10-8 et seq. of the French Commercial Code.

The remuneration of the Chairman and Chief Executive Officer (Mr Stanislas Lemor) and the Deputy Chief Executive Officer (Mr Marc Vettard) is set by the Board of Directors on advice from the Company Officers' Remuneration and Appointments Committee.

The members of the Board of Directors receive directors' remuneration, for which the total budget was fixed at €150,000 for each Shareholders' Meeting. Of this, €12,000 is reserved for members of the Audit Committee and €9,000 for members of the Remuneration and Appointments Committee. This remuneration is paid solely on the criteria of meeting attendance.
It was proposed to the General Shareholders' Meeting of 27 April 2023 to set the total remuneration package for the Board of Directors at €180,000.

Directors with positions within the company are remunerated under the terms of their employment contract.

REMUNERATION POLICY FOR SENIOR EXECUTIVES

The Board of Directors submits, for the approval of the Shareholders' Meeting, the principles and criteria applicable to the determination, distribution and allocation of the fixed, variable and extraordinary components comprising the total remuneration and benefits of any kind attributable to senior executives due to the execution of their mandate and making up the remuneration policy regarding them.

The two senior executives concerned by these provisions are Mr Stanislas Lemor and Mr Marc Vettard.

Their remuneration is comprised of three main elements: a fixed salary, a variable share and long-term profit-sharing (allocation of performance shares). This remuneration policy establishes a balance between short- and medium-term performance factors and those over the longer-term.

Fixed salary

The policy for determining and updating the fixed portion of the remuneration results from a constant process in the company, based on objective measurement and comparison criteria. Special attention is paid to the fact that it is in line with market practices, while remaining consistent with the overall salary policy within the Group.

Principles for determining annual variable remuneration

This is based on an assessment of the objectives approved every year by the Board of Directors, on advice from the Remunerations Committee, which is based on predefined principles.

Annual variable remuneration is awarded under the performance conditions defined in relation to three criteria: the Group's economic performance, a general performance criterion in terms of corporate social responsibility and lastly, a qualitative criterion for implementing the strategic plan.

The quantitative, economic component is established in relation to achieving budgetary objectives referring to the indicators on which STEF usually communicates with the market, namely, the Group's growth in turnover (excluding third party sales) and profit before tax, an indicator of the Group's management. Achievement of these two criteria represents 20% and 55% of the variable remuneration respectively.

Achieving the CSR performance criterion corresponds to 10% of the variable remuneration and the qualitative criterion based on the implementation of the medium-term plan corresponds to 15%. On this last point, Stanislas Lemor is evaluated on implementing the strategic plan and Marc Vettard on its operational implementation.

From 2023 onwards, the Board of Directors decided that the achievement of all criteria at 100% would lead to a variable remuneration target of 80% of the fixed remuneration - not 70%. This adjustment makes it possible to approximate the components of the annual variable as a percentage of the fixed remuneration of executives of SBF 80 companies.

Exceeding each of the quantitative economic performance objectives may lead to an increased variable remuneration which cannot exceed 85.75% of the fixed remuneration. Conversely, in the event of a failure to meet the budgetary forecasts beyond a certain %, the variable share calculated on the financial criteria may be zero. There is therefore no lower limit in this assumption.

The objectives assessment grid is approved by the Board of Directors after review by the Remuneration Committee.

Performance shares

The awarding and performance criteria for the 2023 performance plan were set out by the Board of Directors on 09 March 2023. The definitive acquisition of performance shares depends on achieving performance criteria based on the STEF Group's annual turnover and on the net profit attributable to STEF Group shareholders after tax. These two conditions are supplemented by a condition of presence in the company from the allocation. The two senior executives benefited from a total maximum number of 4,224 performance shares each under the 2023 plan.

Additional information

* Payments in the event of termination of the employment contract: the employment contracts of Messrs Stanislas Lemor and Marc Vettard contain provisions relating to payments to be made to them in the event of termination of their employment contracts that fall within the scope of regulated agreements and commitments covered by Article L.225-42-1 of the French Commercial Code. In accordance with the law, commitments exceeding conventional limits were subject to the satisfaction of the performance criteria assessed in view of those of the Company and which were to achieve an annual increase of at least 3% in consolidated turnover and operating profit. These commitments were approved by the Company's Shareholders' Meeting.

* Existence of a benefit in kind comprised of a company car.

* Absence of supplementary pension benefit commitments as defined under Article L137-11 of the French Social Security Code.

REMUNERATIONS PAID TO THE TWO SENIOR EXECUTIVES, NET OF SOCIAL SECURITY CONTRIBUTIONS, IN 2021 AND 2022

In euros	Fixed remuneration		Variable remuneration			Directors' remuneration		Benefits in kind	
	2021	2022	Paid in 2021 under 2020	Paid in 2022 under 2021	To be paid in 2023 under 2022 (1)	2021	2022	2021	2022
Mr Stanislas Lemor, Chairman and Chief Executive Officer	348,939	384,996	148,000	252,000	322,000	19,054	22,282	6,436	4,134
Mr Marc Vettard, Deputy Chief Executive Officer	277,185	308,926	117,000	200,000	257,000	2,898	4,903	5,935	3,064

(1) This variable remuneration is set in accordance with the criteria set out in the "Remuneration policy for senior executives" section, pursuant to Article L.22-10-8 of the French Commercial Code and is subject to approval at the General Shareholders' Meeting on 27 April 2023.

PROPOSED VARIABLE REMUNERATION FOR THE TWO SENIOR EXECUTIVES, NET OF SOCIAL SECURITY CONTRIBUTIONS, UNDER THE 2022 FINANCIAL YEAR FOR APPROVAL AT THE SHAREHOLDERS' MEETING OF 27 APRIL 2023

On the advice of the Appointments and Remuneration Committee, the Board of Directors decided to propose that the General Shareholders' Meeting approve the allocation of variable remuneration, net of social security contributions, to the two senior executives amounting to €322,000 for Stanislas Lemor and €257,000 for Marc Vettard.

After analysing the target assessment grid according to the three criteria mentioned above, *i.e.* the Group's economic performance, the performance in terms of social and environmental responsibility and the qualitative criterion of implementation of the strategic plan, the Board of Directors concluded that a variable remuneration of 85.75% of the fixed remuneration should be granted, *i.e.* the maximum provided for in the event of outperformance against the budget.

The quantitative economic performance objective relating to the increase in turnover was exceeded by 3% and therefore led to a higher overall variable remuneration:

✱ the Group's economic performance: the increase in turnover compared to the budget and the increase in pre-tax profit represent 20% and 55% respectively of the basis for the variable part. These two criteria were met at 110.8% and 110.1% respectively;

✱ CSR performance represents 10% of the basis and was met at 100%: this criterion was met thanks to the ramping up of the "Moving Green" programme (quantified commitments to reduce the environmental footprint, intensification of the construction of solar power plants) and the launch of the "MIX'UP" programme on professional gender diversity and equality (establishment of an internal network of 80 "MIX'UPers", training of 600 managers).
The Group also signed its 6th disability agreement and was included in the "World's Best Employers" ranking.

✱ The qualitative criterion relating to the implementation of the Group's medium-term plan represents 15% of the basis and was met 100% with:
- ✱ the implementation of the new Medium-Term Strategic Plan 2022-2026 which incorporates major transformation projects;
- ✱ operationally, the extensive involvement in establishing the Group's pricing policy and the work initiated to implement the "Customer care" approach.

REMUNERATIONS PAID TO OTHER COMPANY OFFICERS, NET OF SOCIAL SECURITY CONTRIBUTIONS IN 2021 AND 2022 - DIRECTORS

In euros	Directors' remuneration		Fixed remuneration		Variable remuneration		Exceptional remuneration		Benefits in kind	
	2021	2022	2021	2022	Paid in 2021 under 2020	Paid in 2022 under 2021	2021	2022	2021	2022
Ms Sophie Breuil	9,852	12,841								
Mr Ahkim Benhamouda	5,895	9,860		43,305	2,410	2,425				
Mr Jean-Charles Fromage	8,920	9,768								
Ms Estelle Hensgen-Stoller	7,367	9,860	54,125	59,002	8,111	13,089			2,129	2,250
Mr Bernard Jolivet	9,852	12,841								
Mr Jean-François Laurain (Term of office ended 10 March 2022)	9,851	5,770								
Ms Murielle Lemoine	15,234	16,579								
Ms Lucie Maurel-Aubert	9,852	12,344								
Ms Dorothée Pineau (Term of office ended 28 April 2022)	7,367	4,930								
Mr Dominique Rambaud	7,367	9,860	12,005	12,346						
Mr Maxime Vandoni (Term of office began on 10 March 2022)		4,930								
Allianz Vie, represented by Mr Saucié (Term of office ended 28 April 2022)	4,780	1,200								
Atlantique Management, represented by Mr de Cosnac	8,793	11,114								

FAIRNESS RATIOS

In accordance with the provisions of Article L22-10-9, the table below presents the level of remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer compared to the average and median remuneration of STEF SA employees (excluding company officers) and the change in these ratios over the past five financial years.

		2022	2021	2020	2019	2018
Mr Stanislas Lemor Chairman and Chief Executive Officer	Remuneration compared to the average salary of STEF SA employees	9.7	8.3	9.5	7.4	6.4
	Remuneration compared to the median salary of STEF SA employees	12.7	10.8	12.5	9.4	8.2
Mr Marc Vettard Deputy Chief Executive Officer	Remuneration compared to the average salary of STEF SA employees	7.8	6.7	7.7	6.3	N/A
	Remuneration compared to the median salary of STEF SA employees	10.3	8.7	10.1	8.0	N/A

AGREEMENTS WITH DIRECTORS

None.

GENERAL INFORMATION

At 31 December 2022, the share capital amounted to €13,000,000, comprising 13,000,000 shares with a par value of €1, without modification during the financial year.

BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS AT 31 DECEMBER 2022
9,725,670 shares have double voting rights under the provisions of Article 18 of the Company's articles of association.

	Shares	% capital	Theoretical voting rights	% theoretical voting rights	Exercisable voting rights (*)	% exercisable voting rights
Atlantique Management [1]	4,017,666	30.91%	8,024,388	35.31%	8,024,388	36.23%
FCPE STEF [2]	2,319,493	17.84%	4,617,407	20.32%	4,617,407	20.85%
Société des Personnels de la Financière de l'Atlantique (S.P.F.A) [1]	1,296,578	9.97%	2,593,156	11.41%	2,593,156	11.71%
Union Économique et Financière (UEF) [3]	1,003,632	7.72%	1,980,977	8.72%	1,980,977	8.94%
Société Européenne de Logistique du Froid [4]	771,809	5.94%	1,543,618	6.79%	1,543,618	6.97%
Mr Francis LEMOR	60,187	0.46%	120,374	0.53%	120,374	0.54%
Sub-total – concerted action	**9,469,365**	**72.84%**	**18,879,920**	**83.08%**	**18,879,920**	**85.24%**
Treasury shares	576,022	4.43%	576,022	2.53%	0	0.00%
FMR LCC [5]	759,472	5.84%	759,472	3.34%	759,472	3.43%
Other (shareholders owning less than 5% of the share capital)	2,195,141	16.89%	2,510,256	11.05%	2,510,256	11.33%
Total	**13,000,000**	**100.00%**	**22,725,670**	**100.00%**	**22,149,648**	**100.00%**

(*) Excluding voting rights pertaining to shares without voting rights (treasury shares, etc.).
(1) Limited company (SA) controlled by STEF senior executives and executives.
(2) The STEF FCPE is managed by Natixis Interépargne and brings together STEF employees.
(3) Limited company (SA) controlled by the Lemor family.
(4) SAS 75.72% owned by the company Union Économique et Financière with the remainder owned by STEF senior executives.
(5) Holding company of an independent group of companies, acting on behalf of funds commonly known as Fidelity Investments. See the next point.

Thresholds exceeded during the financial year

On 30 March 2022, the STEF FCPE individually exceeded the threshold of 20% of the voting rights in STEF as a result of the attribution of double voting rights.

FMR LLC, a holding company of an independent group of companies, acting on behalf of funds, commonly known as Fidelity Investments, exceeded the threshold of 5% of STEF's share capital on 14 April 2022 by acquiring STEF shares on the market.

Statutory provisions on change in control

The Company's articles of association do not contain provisions that would delay, defer or impede a change of control.

Shareholders' Meeting attendance

Shareholders' attendance at shareholders' meetings is governed by the conditions established by law and the provisions of Articles 17 and 18 of the Company's articles of association. In accordance with this last article, a double voting right is awarded to shares registered in the name of the same shareholder for two years.

Delegations of power concerning capital increases/securities giving access to the share capital

None.

Factors likely to have an influence in event of a public offer

The information in this "General Information" section is used to satisfy the provisions of Article L. 22-10-11 of the French Commercial Code relating to factors likely to have an influence in the event of a public offer.

LONG-TERM PROFIT-SHARING PLAN - PERFORMANCE SHARES

The General Shareholders' Meeting on 29 April 2021 authorised a new 38-month plan to grant performance shares to employees and/or senior executives of the Group, for a maximum of 1.5% of the share capital. It has delegated its authority to the Board of Directors for its implementation.

The definitive acquisition of performance shares depends on achieving performance criteria based on the STEF Group's annual turnover and on the net profit attributable to STEF Group shareholders after tax. These two conditions are supplemented by a condition of presence in the Company from the date of granting by the Board of Directors.
Senior executives must retain a minimum percentage of the shares acquired until the end of their term.

The General Shareholders' Meeting on 2 May 2018 had authorised the implementation of a performance share plan for 1.5% of the share capital. The Board of Directors, upon delegation of the General Shareholders' Meeting's authority, has implemented it by means of three decisions.

A summary of the performance share plans is provided below.

SUMMARY OF PERFORMANCE SHARE PLAN AT 09/03/2023[1]

	"2019 Performance" Plan	"2020 Performance" Plan	"2021 Performance" Plan	"2022 Performance" Plan	"2023 Performance" Plan
Date of the Shareholders' Meeting	02/05/2018	02/05/2018	02/05/2018	29/04/2021	29/04/2021
Date of Board of Directors Meeting	14/03/2019	12/03/2020	11/03/2021	10/03/2022	09/03/2023
Maximum performance shares to be allocated	**93,456**	**104,016**	**111,936**	**111,408**	**111,936**
Performance shares actually allocated	**33,141**	**0[2]**			
Of which for senior executives: - to be allocated - allocated	8,448 3,464	8,448 None	8,448	8,448	8,448
Effective acquisition date All beneficiaries	01/04/2022	01/04/2023	01/04/2024	01/04/2025	01/04/2026
End of vesting period All beneficiaries	01/04/2022	01/04/2023	01/04/2024	01/04/2025	01/04/2026
Total number of shares having been acquired	33,141	-	0	0	
Number of beneficiaries at original grant date	94	106	115	117	118
Number of beneficiaries at 09/03/2023	79	None	107	114	118
Number of invalid shares	60,315	104,016	5,808	2,640	0
Remaining performance shares allocated	0	None	106,128	108,768	111,936

[1] Reporting date of the management report by the Board of Directors.
[3] No performance shares have been allocated under the 2020 Plan, as the awarding criteria were not met for the financial year.

ACQUISITION OF TREASURY SHARES BY THE COMPANY IN 2022

Use of treasury shares owned	Consolidated financial statements at 31/12/2021	Shares acquired in 2022	Shares sold in 2022	Shares transferred in 2022	Consolidated financial statements at 31/12/2022
Supporting the share price through a liquidity contract	7,292	55,917	– 54,858		8,351
Hedging of shares allocated to employees as part of the company savings plan	10,545			– 5,372 (1)	5,173
Hedging of the allocation plan for the performance share plan (Article L225-197-1 of the French Commercial Code)	45,768			– 33,141 (2)	12,627
Shares used for payment or exchange as part of an acquisition	549,871				549,871
Total	**613,476**	**55,917**	**– 54,858**	**– 38,513**	**576,022**

(1) Allocation of shares to employees as part of the company savings plan.
(2) Allocation to the beneficiaries of the performance share plan.

2022 SHARE REPURCHASING PLAN

In the 2022 financial year, there were two share repurchasing plans. With a maximum term of 18 months, they were described in terms of their purpose and procedures pursuant to Article 241-2 of the AMF's General Regulations:

Date of the Shareholders' Meeting	Resolution no.	Maximum purchase price	Maximum % of share capital to be acquired
29/04/2021	13th	€100	10%
28/04/2022	11th	€100	10%

Transactions can be performed at any time, even when a public tender is underway, subject to the applicable regulations.

LIQUIDITY CONTRACT

A liquidity contract concerning Euronext Paris was entrusted to the stock exchange company Gilbert Dupont.

This contract complies with the Ethics Charter established by the French association of investment companies and approved by the AMF decision of 22 March 2005.

At 31 December 2022, the balance of treasury shares under the liquidity contract stood at 8,351 shares.

SHARE PRICE

Between 3 January and 30 December 2022, the share price ranged from a €73.00 low and a €109.00 high.

Over the same period, the daily average number of shares exchanged was 2,654, for an annual average share price of €90.46.

RISK FACTORS

The Group regularly reviews risks that could have a significant adverse effect on its business, financial condition, or results. To the best of its knowledge, it considers that there are no other significant risks or risks likely to have such an effect, apart from those mentioned.
The last few years have been marked by several events (Covid 19 health crisis, conflict in Ukraine, climate change) which may have caused economic and financial upheaval in all countries. The perception of changes in risk in companies has been transformed. In 2021, STEF Group updated the mapping of its main identified risks and the conclusions of this work resulted in changes being made in terms of priorities based on the probability of occurrence and the estimated potential impact of these risks.
The risk factors identified are those specific to the Group and its business. The following principles were applied:

* the analysis conducted based on the probability of occurrence and the potential impact takes into account the net risk, *i.e.* the means and procedures put in place to mitigate them;

* risk factors are presented by categories: risks related to the Group's business, market risks;

* the most critical risks are presented at the beginning of each category;

* on each of the selected risks, the degree of materiality has been defined according to the following scale: strong, medium or weak.

RISKS ASSOCIATED WITH GROUP ACTIVITIES			
Type of risk	Risk identification	Measures and actions to manage the risk	Residual significance
Health risk	STEF specialises in the transport of temperature-controlled food products, and must therefore contribute to maintaining and preserving the safety of the food products entrusted to it. The Group is therefore exposed to risks related to a negative impact on the health of consumers if it does not control its operations for its customers. These risks therefore concern the health of consumers, the reputation of its customers and that of the Group.	✱ A Group Food Safety Department manages, guides, and standardises control actions and ensures their proper adaptation. ✱ Food Safety and Quality Management Systems covering all actions and measures to ensure the safety of food entrusted to STEF. ✱ These actions/measures are the result of a rigorous, exhaustive analysis of the risks associated with each of the activities/services carried out by the Group for its customers (HACCP method - identifying, evaluating and defining actions to manage significant hazards with regard to food safety). ✱ These actions are mainly based on: ✱ the control, traceability. and promotion of preventive actions; ✱ the principle of continuous improvement; ✱ the implementation of innovative solutions and systems to strengthen risk control; ✱ transparency and information to its customers and health authorities; ✱ the existence of monitoring and alert systems in place at key stages to detect and address risk situations; ✱ the sharing of and compliance with good health and business practices. ✱ Existence at each site: ✱ a Health Control Plan (HCP) setting out the actions and measures taken to protect against biological, physical, chemical and allergenic risks incurred when performing certain activities; ✱ a plan for controls, recording and checks; ✱ an appropriate training plan; ✱ procedures to ensure traceability, management of products and situations with health risks and product withdrawals/recalls where appropriate.	Low
Information systems risk	The Group operates complex information systems and IT infrastructures that are essential to properly conducting its business. These information systems include management, development and engineering systems. It is therefore crucial to protect them against malfunction, malicious acts or human error. The main causes of malfunctions or stoppages in these systems can be viruses, hacking, or network outages. They can have a direct impact on the services provided to its customers and consequently on the Group's economic results.	✱ Presence of an in-house expertise centre at the Group dedicated to information systems, STEF Information et Technologies. Its mission: to secure data, restore it quickly in the event of an incident affecting the central processing units (CPU) and ensure the inviolability of information systems. ✱ Renewal of the Group's hardware infrastructure to the best standards required (servers, storage units, backup system) in 2020, migration of the outsourcing of transport, logistics and "decision-support" applications to a new provider. ✱ Testing of the Disaster Recovery Plan (DRP), management of remediation plans following audits and implementation of cybersecurity threat detection solutions. ✱ Regular tests with expert firms to ensure the resilience of the resources implemented against the risks associated with cybercrime, particularly the risk of intrusion.	Low

RISKS ASSOCIATED WITH GROUP ACTIVITIES			
Type of risk	Risk identification	Measures and actions to manage the risk	Residual significance
Risk of business disruption	A disruption of business, regardless of the cause, could be detrimental to the safety of the goods transported or stored and create situations of stock shortages for the Group's customers, which would be detrimental to their business and to end consumers.	* Existence at Group level of solutions to ensure business continuity (Business Continuity Plans) depending on the risks that may arise (pandemics, climate, health, social, or accidents). * In the event of an incident, the Group's organisation and the national network of facilities enable it to quickly manage the impossibility of using one or more of its operating facilities. At Group level, the consequences of a risk - such as a fire - would be limited, as the number of warehouses and platforms would enable flows to be quickly transferred to another location. * Structured maintenance programmes and annual investment budgets for site security. * Deployment of a standardised real estate risk prevention policy based on audits, evaluation tools, and following recommendations.	Low
Risk of a break in the cold chain	The backbone of the Group's business is perishable goods and products that must comply with norms of temperature and date. It is therefore exposed to the risk of a break in the cold chain.	* Existence of procedures for securing and controlling mobile means of energy production. * Equipping building facilities with temperature recording systems during operation and remote monitoring systems when not operating.	Low
Road risk	With more than 2,000 vehicles on the road every day and more than 100,000 deliveries per day, road risk is inherent in the Group's transport business.	* Permanent safety training plans (in addition to mandatory training), specialist road safety trainers. * Implementation of a specific prevention plan to regularly improve the accident frequency rate. * Steering and coordinating actions by a "national road risk advisor" who relies on a network of over 100 regional correspondents.	Low
Risk related to subcon-tracting	As a purchaser in various business sectors, including transport subcontracting, construction site management and other purchasing categories, the Group regularly uses subcontractors to carry out its services. It may therefore be exposed to the potential risk of scarcity, or of not being available in time. Due to the use of subcontractors, the Group is exposed to two types of risks: * STEF's reputation and liability could be incurred in the event of a subcontractor's failure; * the subcontractor's failures in applying regulations could expose the Group to sanctions as a principal.	* Creation of a Group Transport Subcontracting Department. * Choice of subcontractors based on specifications. * Policy of building loyalty and partnerships with its subcontractors, particularly through contractual relations. * Regular procedures and assessments to validate the proper application of regulations and services rendered. * Deployment of a proactive and inclusive Group policy with regard to the main suppliers and subcontractors. * Involvement of subcontractors in the Group's CSR policy (reducing their emissions, health and safety, customer service, quality, digitalisation, etc.). * CSR audits of subcontractors and adherence to the Group's Sustainable Purchasing Charter. See the monitoring plan.	Low

RISKS ASSOCIATED WITH GROUP ACTIVITIES			
Type of risk	Risk identification	Measures and actions to manage the risk	Residual significance
Risks related to the effects of climate change	The emissions produced by the Group's activities are likely to impact the environment.	* Deployment of a Group sustainable development policy based on controlling the energy consumed by operating facilities (mainly buildings and vehicles) and on reducing the main emissions related to the business (greenhouse gas (GHG) and air pollution emissions). * Launch of the Group's "Moving Green" climate initiative in 2021 based on a strategy to reduce the Group's carbon footprint. * Deployment of an organisation, tools and measurement and monitoring indicators to ensure that the environmental impacts of operations are controlled. * Application of EU Regulation 2080/852 dated 18 June 2020 "taxonomy" and publication of data on eligible activities under the climate change mitigation and adaptation objectives. * Introduction in 2022 of a procedure for assessing the exposure of the main operating sites to natural disasters in order to reduce the Group's vulnerability to the effects of climate change. * Co-building of innovative solutions with industrial partners (particle filters for the maritime industry). (See details of the initiatives carried out in the Economic and Financial Planning document).	Low
Environ-mental standards compliance risk	Increased environmental regulations could result in specific compliance costs for the operating resources used by the Group, which could impact its economic situation. Some technical solutions used for the business units could be disqualified and need to be replaced by alternative solutions (rolling stock, energy, fluids). Similarly, the operating resources (warehouses and platforms) may need to be upgraded with the inherent costs and timeframes.	* Centralisation of the Group's technical and real estate resources to ensure the regulations are applied and the best alternative solutions or innovations are implemented consistently throughout the Group. * Ongoing analysis by the Group's Sustainable Development Department of the environmental risks associated with its activities and changes in regulations in order to assess the significant impacts of its operations and the scientific and technical developments to be implemented in relation to the Group's facilities and activities. * Strict application of existing standards. For example, in France, real estate projects are carried out in compliance with the regulations specific to facilities classified for environmental protection (ICPE), taking into account the environmental impacts in accordance with the "sustainable logistics platform" AFILOG Charter and the recommendations of the HQE (High Environmental Quality) guidelines specific to refrigerated storage facilities. * Discussions with external stakeholders to analyse the regulatory ecosystem in order to anticipate needs and developments.	Low

RISKS ASSOCIATED WITH GROUP ACTIVITIES			
Type of risk	Risk identification	Measures and actions to manage the risk	Residual significance
Access and energy costs risk	Energy (fuel, electricity) is a key factor in providing services, be it for transporting goods or for operating the sites. The Group could be exposed to shortages or supply disruptions which could result in the deterioration of goods in transit or in storage, or delays or the inability to deliver the goods. It is more difficult to reduce carbon emissions in transport because diesel appears to be the ideal energy source and alternative solutions for mass transport are still experimental.	* Research into alternative fuel solutions (biodiesel, biogas, and electric). * With regard to electricity, the installation of solar power plants with the Group's energy subsidiary, Blue Enersun, has been expanded. (See the Economic and Financial Planning document detailing the Group's CSR policy and the Group's climate commitments).	Low
Risk of labour shortage	As a service company, STEF is exposed to the risks and challenges related to labour shortages and a tight labour market. STEF has to overcome an image that the transport and logistics sector is not as attractive as it used to be, combined with a feeling that its jobs are difficult.	* Deploying the "Build your future at the heart of the food world" employer brand, aimed at giving Group stakeholders and candidates a clear vision of their prospects at STEF. * Regular initiatives to promote the Group's businesses. * Strengthening recruitment tools with the deployment of an Applicant Tracking System (ATS), enabling the digitisation of all recruitment processes and regular training of recruiters in recruitment methods. * Rolling out the "People Care" approach starting in 2022.	Low
Staff relations manage-ment risk	STEF may be faced with a deterioration in industrial relations at certain operating sites, which could have an impact on its operations and deliveries to customers.	* Presence of bodies at all levels of the company. * Unanimous signing of an agreement on Group bodies in January 2022 by the trade unions, involving the establishment of supra-legal bodies. * Creation of transport and logistics committees in liaison with the Group's two main business lines in order to ensure in-depth dialogue. * Ongoing search for close relations between elected representatives and the Group's management, through the European Works Council and the Group Committee, on structuring subjects (economic or social situation, investment projects, working conditions, etc.). * Training of subsidiary directors and human resources managers in managing staff relations in order to provide them with a common foundation and tools for managing staff relations. * Roll-out of the management model starting in 2022.	Low
Pandemic	During the Covid 19 pandemic, due to lockdowns and traffic restrictions, STEF was faced with the imperative mission of feeding the population, despite restrictions, disruptions in the supply of protective equipment, unavailability of employees, and additional operating costs.	* Establishment of a crisis unit responsible for monitoring the epidemic risk and defining, at Group level, information, prevention, and protection policies for employees and coordinating the continuity of operations. * Deployment of a massive prevention campaign focusing on good practices and preventive measures.	Low

RISKS ASSOCIATED WITH GROUP ACTIVITIES			
Type of risk	Risk identification	Measures and actions to manage the risk	Residual significance
Ethics, compliance, corruption		✱ STEF Ethics and Business Conduct Charter - Translation and dissemination in all countries where STEF operates. ✱ Training for people exposed to the potential risk of corruption or influence peddling. ✱ Reinforcing ethical clauses in framework, customer, and supplier contracts. Existence of a whistle-blowing management system. (See the STEF monitoring plan).	Low
Maritime risk	La Méridionale's main business is to be a stakeholder in a public service concession (PSC) for maritime services to Corsica. It has 4 ships to do this. Since the end of 2019, its business has been reduced to serving two ports with two ships, this situation has created a strong financial imbalance for La Méridionale which has continued since 2019.	✱ Action plan to ensure the long-term viability of La Méridionale's activities and to improve its results in a sustainable manner in three areas: ✱ its positioning under the new 7-year PSC, starting on 1 January 2023; ✱ restructuring of La Méridionale's international activities and appointment of a new Managing Director whose task is to create a new strategic plan; ✱ discussions with the CMA CGM Group concerning the possible takeover of the STEF Group's maritime activities.	Medium
Short-term geographic areas risk	The economic situation in some countries could be reflected by a fall in the turnover and profitability of the relevant subsidiaries.	✱ Focusing the Group's strategy on finding a balance between: ✱ its main businesses; ✱ the diversification of its customer portfolio across channels (industrial producers, distribution, wholesalers and out-of-home foodservices) and also key accounts and the mid-market.	Low
Insurance risks and risk hedging	The Group's diverse activities and the amount of insured capital (in particular, real estate assets and goods entrusted to it) require a stringent insurance subscription and risk prevention policy, as a poorly insured claim or risk can result in a significant financial loss. The tightening of the insurance market in recent years has made it necessary to look for alternative ways to cover risks.	✱ Centralising management of the Group's insurance and risk management policy in a dedicated department and using major insurance companies. ✱ Structured risk management policy, rigorous monitoring of the Group's insurance coverage policy in line with the highest market standards (damage/ operating losses, civil liability, vehicle fleet, other) in order to secure its assets, its growth, and the progress of its business. ✱ Introduction of a self-insurance scheme in 2022 within a regulated framework. ✱ A proactive policy of prevention and training through a dedicated team that carries out risk prevention inspections (real estate, road) in cooperation with insurers.	Low

MARKET RISKS			
Type of risk	Risk identification	Measures and actions to manage the risk	Residual significance
Liquidity risk	The Group's ability to borrow from banks to meet funding needs requires favourable market conditions. If funding sources were not available, or were available under more restrictive terms, the Group might not be able to meet its funding requirements or might be able to do so under unfavourable conditions.	* The Group prioritises maintaining a balance between the share of its fixed and variable rate debt. This strategy allows it to minimise financing costs while limiting the volatility of financial expenses due to interest rate fluctuations. * In particular, the Group has a policy of micro-hedging its long-term debt, either by setting up new fixed-rate financing contracts or by entering into hedging instruments when signing new variable-rate financing contracts. * At 31 December 2022, the floating rate debt component, after hedging, represented 45.4% of the Group's gross financial debt. The details of the Group's exposure to interest rate risk are presented in note 25.2 of the notes to the consolidated financial statements.	Low
Exchange rate risk	Since the Group's accounts are in euros, the value of assets/liabilities and income/expenses could be significantly impacted by an unfavourable change in the euro exchange rate.	* Most of the flows outside the Eurozone concern Switzerland and the United Kingdom. In these scopes, the income and associated costs are mostly domestic and accounted for in local currency which limits the impact of a change in the exchange rate on the Group's results.	Low
Customer credit risk	The Group's financial equilibrium could be compromised by a lack of rigorous management of its trade receivables.	* Trade receivables impairment policy: * impairment of receivables considered as bad debts, using a legal or financial approach, for the entire amount deemed to be non-recoverable; * depreciation of their entire amount excluding tax for receivables deemed disputed or uncertain and in particular, all receivables older than 6 months, which do not fall into the previous category. For the transport business, the "direct action" mechanism of the transport company against the shipper and/or final consignee of the goods, and more generally, the right to hold back goods entrusted to it, considerably reduce the risk of non-recovery of trade receivables. * The Group has taken out a credit insurance policy covering all its activities with a well-known partner. * No customer accounts for more than 5% of the Group's turnover, which limits the risk that the bankruptcy of one customer could have a significant impact on the Group's profit.	Low
Diesel risk	As a large consumer of diesel for its activities, STEF is exposed to changes in the price of this fuel.	* In France, there is a regulatory scheme that is used to pass on variations in the price of fuel to customers, at the bottom of the invoice, thus greatly limiting the residual exposure to this risk. * The use of hedging instruments is not a priority at this stage.	Low
Risk of failure of the internal control system		* The Group's internal control system is designed to improve control of activities and effectiveness of its operations. Like any control system, the internal control system, as comprehensive as it is, can only give reasonable assurance and not an absolute guarantee that the risks to which the Group is exposed have been completely removed. * For 2022, the audits carried out did not reveal any failure of the internal control system which could result in substantial risks.	Low

INFORMATION ON INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION – THE GROUP'S TAX POLICY

Processing of accounting and financial information

The Financial Division is responsible for producing and ensuring the reliability of accounting, taxation and financial information, managing financial risks, the Group's financing policy and monitoring objectives through the budgetary process. Group accounting is placed under the auspices of the Financial Division.

The accounting function for the whole Group is provided by a dedicated company, STEF-TFE Services, which prepares the individual financial statements for the French companies and draws up the Group's consolidated financial statements. This division is responsible for structuring and standardising the accounting treatment of transactions and meeting the requirements relating to the application of IFRS and legislative and regulatory developments.
The organisation in place is based on regional accounting centres run by accountants who perform the tasks to prepare the financial statements for the companies in their scope. These regional accounting centres ensure that a good separation of tasks is maintained. This Group-wide organisation strengthens the independence of the accounting function in relation to the operational divisions.

The Group's Accounting Division draws up directives through procedures and working groups. It consolidates the accounts. It collects and controls the information from all the companies then performs the adjustments and finally, prepares the consolidated financial statements.

The Accounting Division handles all the tax obligations to be declared in association with the Group's Taxation Division. This organisation is used specifically to satisfy the provisions of Article L22-10-36 of the French Commercial Code relating to combating corruption and tax evasion.

The consolidation team also monitors any developments to IFRS and distributes procedures and instructions to accounting managers to ensure the consistency of the consolidated whole.

Each administrative and regional accounting manager, together with the audit department, verifies that, within the scope of their regional action, the organisation meets the expected safety and quality requirements for financial information.
Through the consolidation software (SAP), the audit department has permanent access to all accounting entries made in the branches and subsidiaries. It can then examine all the accounting entries and carry out any consistency checks.

The Group's Tax Policy

The Group's tax policy applies to all taxes payable by Group companies in the countries in which it operates. It is supervised by the Group Tax Department which reports to the Chief Financial Officer, a member of the Executive Committee.

A proper organisation, using the French Accounting Department and the Finance Departments of the countries as relays, with the possible support of qualified external advisors, is in place to ensure that the reporting obligations to which the Group companies are subject are fully complied with, and that taxes are properly calculated and paid in all the countries where they are due.
The Group's geographical location strategy is based exclusively on commercial and operational objectives. The Group only engages in transactions with a strictly commercial motive and the entities used are not based on tax optimisation schemes that are against the law.

Given the nature of the activities carried out, the value of intra-group transactions between companies based in different countries is not significant in relation to Group turnover. These transactions comply with the "arm's length principle" recommended by the OECD guidelines.
They are subject to transfer pricing documentation. The information is reported to the tax authorities in transfer pricing statements and/or through its annual tax returns when required by governments.

The Group is committed to building and maintaining constructive and mutually respectful relationships with the tax authorities in each country where it operates.
The Group strives to ensure diligent application of regulations by limiting the risk of misinterpretation or misunderstanding of tax laws.
In the event that differences arise that lead tax authorities to challenge the Group's tax positions, the tax department will defend the Group's interests in compliance with applicable laws.

2022 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

(in millions of euros)

Annual turnover	2021	2022	Change
Group's operations	**3,163**	**3,830**	**+21.1%**
Sale of goods for out-of-home foodservice (*)	344	434	+26.1%
Group's total turnover	**3,507**	**4,264**	**+21.6%**

(*) Sales of goods for out-of-home foodservice represent the turnover from customers in this sector and appear under "purchase of goods".

The Group's turnover increased to €4.264 billion (+21.6% compared to 2021 and +14.2% at comparable scope). This change was driven by strong business growth in France and abroad.

The effect of the scope was significant in 2022 and mainly concerned STEF International. It includes the full-year effect of the acquisition of the UK business at 31 December 2021 for €208 million. The acquisition of the SVAT Group, which was completed on 28 December 2022, will only take effect in the Group's income statement from 1 January 2023.

Business segments	Turnover		Operating profit	
	2021	2022	2021	2022
STEF France	2,079	2,366	122.9	176.2
STEF International	972	1,334	49.3	60.1
Maritime	90	104	(19.5)	(30.0)
Other activities	367	460	1.2	(2.7)
Total	**3,507**	**4,264**	**153,9**	**203,5**

FRANCE

STEF France's growth remained steady for most BUs. The performance of the predominantly transport-based activities was consolidated or even improved, thanks to market share gains. Conversely, logistics activities were directly affected by the rise in electricity prices and this was reflected in the more variable performance of the sector.

STEF INTERNATIONAL

The Group's international activities also benefitted from a very strong momentum, accentuated by the investments made in all countries, especially in the United Kingdom.
The operating result was driven by good results in almost all countries.

MARITIME

The 2022 financial year was marked by the occupancy rate difficulties on the Marseille-Tangiers line.
The performance of services to Corsica was in line with expectations.

INCOME

(in millions of euros)

	2021	2022	Change (in %)
Turnover	**3,506.6**	**4,264.2**	**+21.6%**
Operating profit	**153.9**	**203.5**	**+32.2%**
Financial income	(6.4)	(9.7)	
Profit before tax	**147.5**	**193.8**	**+31.4%**
Tax expense	(45.9)	(58.3)	
Equity-accounted associates	8.2	10.5	
Net profit	**109.8**	**146.0**	**+32.9%**
- of which profit attributable to Group shareholders	**110.0**	**146.4**	**+33.0%**
- of which profit attributable to minorities	(0.2)	(0.4)	
Earnings per share in euros (basic)	8.88	11.79	+32.7%
Earnings per share in euros (diluted)	8.78	11.58	+31.9%

The Group's operating profit benefited from growth in business and a stable operating margin rate against an inflationary backdrop, both for STEF France and STEF International.
On the other hand, it was negatively impacted by losses from the Maritime business, which increased by €10.6 million over the period.

The operating margin amounted to 5.3% of turnover (excluding sales of goods for out-of-home foodservice) compared to 4.9% in 2021. In 2022, this included capital gains from the sale of real estate for €11 million.

The Group's financial expenses increased as a result of the rise in interest rates since July 2022.

The business of equity-accounted companies was dynamic over the period and benefited from the strong contribution of Primever, as well as the share of the SVAT Group's profits.

Based on the preceding items, net profit attributable to Group shareholders is up 33.0% compared to 2021.

In 2022, the Group continued its investments for a total net amount of €295 million, unchanged from 2021, including in particular the acquisition of new businesses in Italy, Switzerland, and Spain.

Gearing stood at 1.03 at 31 December 2022 (it was 1.04 at the end of December 2021).

Change in scope – acquisitions of shareholdings in 2022

Acquisitions, start-ups, disposals

France

None.

Belgium, The Netherlands

Creation of the company BlueEnerfreeze Belgique.

Switzerland

* Acquisition of 100% of Frigosuisse in June.
* Creation of Immostef Suisse.

Spain-Portugal

Acquisition of 100% of TTCO and TTCL in July.

Italy

Acquisition of 51% of Intermedia SRL (SVAT Group) in December.

Internal restructuring

Italy

Merger of STEF Nogarole and STEF International Italia into the company STEF Italia SPA.

France

* Universal transfer of assets from SNC Piana to La Méridionale.
* Dissolution of SSCV Innovespace Corbas (equity-accounted company).

Important events occurring between the balance sheet date and the date of this report

In 2023, the Group entered into exclusive negotiations for the disposal of its Maritime operating segment. The acquisition agreement relating to the transfer of 99.14% of the shares of La Méridionale and 100% of the shares of Sigma was signed between STEF and CMA CGM on 8 March and the transaction is expected to be completed by 30 September 2023 at the latest, subject to approval from the relevant authorities.

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)

	note	2022 financial year	2021 financial year
Turnover	**4**	**4,264,153**	**3,506,647**
Purchases from third parties	5	(2,719,818)	(2,162,437)
Taxes and related expenses		(55,827)	(46,713)
Payroll expenses	6	(1,084,601)	(937,445)
Depreciation and amortisation	7	(196,289)	(178,524)
(Net charges to) net reversals of provisions	8	(5,744)	(3,095)
Other operating income and expenses	9	1,600	(24,494)
Operating profit		**203,473**	**153,938**
Financial expenses		(10,788)	(7,740)
Financial income		1,100	1,299
Financial income	**11**	**(9,688)**	**(6,441)**
Profit before tax		**193,785**	**147,496**
Tax expense	12	(58,252)	(45,853)
Share in net profit of companies accounted for by the equity method	15	10,452	8,169
Profit for the period		**145,985**	**109,813**
* **of which profit attributable to Group shareholders**		**146,359**	**110,008**
* of which profit attributable to minorities		(374)	(195)
Earnings per share		**(in euros)**	**(in euros)**
* basic earnings per share	20.3	11.79	8.88
* diluted	20.3	11.58	8.78

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(in thousands of euros)

	note	2022 financial year	2021 financial year
Profit for the period		**145,985**	**109,813**
Actuarial gains and losses on pension plans	21.3	11,737	1,631
Revaluation of financial assets		(193)	538
Tax expense on non-recyclable items		**(2,909)**	**(887)**
Other items of comprehensive income, net of income tax which are not subsequently reclassified into income		**8,635**	**1,282**
Unrealised foreign exchange gains or losses from activities abroad		(1,369)	677
Effective portion of change in fair value of cash flow hedging derivatives		7,117	5,663
Tax expense on recyclable items		**(1,705)**	**(905)**
Other items of comprehensive income, net of income tax which are subsequently reclassified into income		**4,043**	**5,435**
Comprehensive income for the period		**158,663**	**116,529**
* **of which profit attributable to Group shareholders**		**159,022**	**116,675**
* of which attributable to minorities		(359)	(145)

CONSOLIDATED BALANCE SHEET

(in thousands of euros)

Assets	note	31 December 2022	31 December 2021 [1]
Non-current assets			
Goodwill	13.1	295,461	269,189
Other intangible fixed assets	13.1	13,776	15,085
Tangible fixed assets	13.2	1,564,393	1,400,629
Right of use under leases	13.2	241,809	241,823
Non-current financial assets	14	51,188	43,638
Investments in associated companies	15	50,844	65,344
Deferred tax assets	12.3	9,820	10,880
Total non-current assets		**2,227,291**	**2,046,588**
Current assets			
Inventories and work in progress	16	126,347	86,229
Customers	17	734,869	612,962
Other receivables and current financial assets	18	167,746	138,752
Current tax assets		1,435	3,454
Cash and cash equivalents	19	87,593	92,239
Total current assets		**1,117,991**	**933,637**
Total assets		**3,345,281**	**2,980,225**
Liabilities	**note**	**31 December 2022**	**31 December 2021 [1]**
Equity			
Share capital	20	13,000	13,000
Share premium account		0	0
Reserves		1,026,832	899,242
Equity, Group share		**1,039,832**	**912,242**
Minority interests		124	476
Total equity		**1,039,955**	**912,719**
Non-current liabilities			
Non-current provisions	21/22	69,848	69,328
Deferred tax liabilities	12.3	30,154	30,324
Non-current financial liabilities	23	511,993	371,769
Non-current lease obligations	23	177,506	183,003
Total non-current liabilities		**789,501**	**654,425**
Current liabilities			
Trade accounts payable		636,233	557,551
Current provisions	21/22	16,384	16,254
Other current liabilities	24	379,050	351,065
Current tax liabilities		13,374	5,960
Current financial liabilities	23	415,224	426,841
Current lease obligations	23	55,561	55,412
Total current liabilities		**1,515,825**	**1,413,082**
Total liabilities		**3,345,281**	**2,980,225**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

CHANGES IN CONSOLIDATED EQUITY

(in thousands of euros)

	Share capital	Share premium account	Consolidated reserves	Translation reserves	Treasury shares	Fair value reserve	Equity attributable to equity shareholders of the parent company STEF	Minority interests	Total equity
Equity at 31 December 2020	**13,000**	**0**	**852,089**	**375**	**(38,923)**	**(3,585)**	**822,957**	**863**	**823,819**
Dividends paid			(30,957)				(30,957)	0	(30,957)
Acquisition and disposal of treasury shares					614		614		614
Other share transactions	0		3,151		0		3,151	0	3,151
Transactions with minority interests			(198)				(198)	(241)	(439)
Total transactions with shareholders	**0**	**0**	**(28,004)**	**0**	**614**	**0**	**(27,390)**	**(241)**	**(27,630)**
Comprehensive income for the period	**0**	**0**	**110,902**	**677**	**0**	**5,096**	**116,675**	**(145)**	**116,529**
Equity at 31 December 2021	**13,000**	**0**	**934,987**	**1,052**	**(38,309)**	**1,511**	**912,242**	**476**	**912,719**
Dividends paid			(37,262)				(37,262)	0	(37,262)
Acquisition and disposal of treasury shares					372		372		372
Other share transactions	0		5,451		0		5,451	0	5,451
Transactions with minority interests			7				7	6	13
Total transactions with shareholders	**0**	**0**	**(31,804)**	**0**	**372**	**0**	**(31,432)**	**6**	**(31,426)**
Comprehensive income for the period	**0**	**0**	**155,125**	**(1,369)**	**0**	**5,266**	**159,022**	**(359)**	**158,663**
Equity at 31 December 2022	**13,000**	**0**	**1,058,308**	**(317)**	**(37,937)**	**6,777**	**1,039,832**	**124**	**1,039,955**

CASH FLOW STATEMENT

(in thousands of euros)

	note	2022 financial year	2021 financial year
Profit for the period		**145,985**	**109,813**
+/- Net depreciation, amortisation, impairment of non-current assets and provisions	27,2	211,331	204,336
+/- Gains or losses from the sale of non-current assets		(8,588)	(799)
+/- Share in net profit (loss) of associated companies	15	(10,452)	(8,169)
+/- Change in market value of derivatives	11	(39)	0
+/- Other expenses and income, generating no change in cash		5,245	3,937
- Deferred tax	12,1	(4,932)	(630)
Cash flow from operations (A)		**338,550**	**308,487**
Cancellation of the tax expense (income)	27,1	63,184	46,483
Taxes paid	27.1	(51,745)	(28,942)
Changes in the other items of the WC	27.1	(86,506)	42,188
+/- Change in working capital (B)		**(75,067)**	**59,729**
Net cash from operating activities (C) = (A+B)		**263,483**	**368,216**
- Cash used in acquiring intangible assets	27.1	(2,613)	(3,431)
- Cash used in acquiring tangible fixed assets	27.1	(226,861)	(161,697)
+/- Change in granted loans and advances, financial assets		(4,365)	(2,754)
-/+ Proceeds and cash used in the acquisition and sale of subsidiaries net of acquired cash	2.2.1.A	(81,693)	(135,332)
+ Proceeds from sale of tangible and intangible fixed assets		17,235	5,683
+ Dividends received from associated companies		3,165	2,412
Net cash from investment activities (D)		**(295,133)**	**(295,119)**
+/- Acquisition and disposal of treasury shares		28	267
- Dividends paid to STEF owners		(37,262)	(30,957)
- Dividends paid to minority shareholders		0	0
+ Proceeds from new borrowings	23.3	304,349	208,499
- Repayment of borrowings and lease obligations	23.3	(301,828)	(184,490)
Net cash from financing activities (E)		**(34,713)**	**(6,680)**
Currency exchange effect (F)		(865)	0
Net cash position at beginning of period		73,803	7,387
Net cash position at end of period	19	6,575	73,803
= Change in net cash position (C+D+E+F)		**(67,228)**	**66,417**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2022

INTRODUCTION

The main activities conducted by STEF and its subsidiaries (hereinafter referred to as STEF or the Group) are temperature-controlled road transport and logistics as well as maritime transport.

The parent company, STEF SA, is a company incorporated under the laws of France, having its registered office at 93 boulevard Malesherbes – 75008 Paris, and with its shares listed on the NYSE Euronext Paris' B compartment.

The STEF Group's consolidated financial statements for the financial year ending on 31 December 2022 were approved by the Board of Directors on 09 March 2023. They shall be subject to shareholders' approval at the Shareholders' Meeting on 27 April 2023. Unless otherwise specified, the consolidated financial statements are presented in euros which is the functional currency of STEF, rounded to the nearest thousand.

Note 1

Accounting policies

1.1

Accounting standards

The consolidated financial statements for the financial year ended 31 December 2022 for the company STEF have been prepared in accordance with IFRS (International Financial Reporting Standards), as adopted by the European Union and applicable for the financial year ending 31 December 2022. The generally accepted principles of a true and fair view, going concern, and consistency of accounting policies were applied.

The consolidated financial statements are prepared using the historical cost method, except for derivatives and financial assets classified at fair value through OCI (Other Comprehensive Income) and cash equivalents, which are accounted for at fair value in profit and loss.

The application over the period of the following new standards and interpretations did not have a significant effect on the consolidated financial statements at 31 December 2022:

- amendments to IFRS 3 - Reference to the conceptual framework;
- amendments to IAS 16 - Proceeds before intended use;
- amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract;
- annual improvements to IFRS Standards 2018-2020.

IFRIC decision - accounting for configuration and customisation costs related to SaaS software (IAS38)

In March 2021, the ASB approved the IFRIC decision on accounting for configuration and customisation costs related to SaaS software. The application of this decision was delayed until the first half of 2022. This new decision defines the criteria for recording the costs incurred from publishers, subcontractors, and other service providers for the configuration and customisation of SaaS software as intangible assets. The Group reviewed all the relevant projects and has not identified any projects requiring recognition of an asset on the balance sheet.

In addition, the Group did not apply the following standards and interpretations, which were not adopted by the European Union at 31 December 2022 or the application of which was not mandatory at 1 January 2022:

* amendments to IAS 1 - Classification of liabilities as current or non-current;
* amendment to IAS 1 - Presentation of financial statements and IFRS practice statement 2: disclosure of accounting policies;
* amendments to IAS 8 - Definition of accounting estimates;
* amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction;
* amendments to IFRS 16 – Lease liability for a sale-leaseback;
* IFRS 17 - Insurance contracts.

The potential impact of the standards not applicable to the consolidated financial statements are currently being analysed.
At this stage, the Group does not expect any material impact on its consolidated financial statements.

1.2 Use of estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions that have an impact on the amounts recorded for certain assets, liabilities, income, and expenses as well as on certain information provided in the notes attached to the financial statements. The estimates and assumptions made are those that the management considers as being the most relevant and achievable.

Because of the uncertain nature inherent in these estimates, the final amounts may be different from those originally estimated. To limit these uncertainties, the estimates and assumptions are periodically reviewed and the changes are accounted for immediately.

The use of estimates and assumptions is of particular importance in the following areas:

* determination of the periods of use of non-current assets (notes 13.1 and 13.2);
* determination of lease terms (note 13.3);
* determination of the recoverable amount of non-current extra-financial assets (note 13.4);
* evaluation of identifiable assets and liabilities acquired as part of business combinations;
* evaluation of staff benefits (note 21);
* evaluation of the provisions for risk and expenses (note 22);
* recognition of deferred tax assets (note 12).

1.3

Main estimates and assessments relating to environmental and climate issues

STEF Group has long been committed to reducing its emissions. As part of its “Moving Green” approach, the Group has set itself the goal of significantly reducing its environmental impact, particularly through the following objectives:

* 30% reduction in GHG emissions from our vehicles by 2030 (in gCO_{2e}/t.km reference 2019), mainly by renewing the vehicle fleet and optimising the consumption of refrigeration units and transport schemes;
* 100% low-carbon electricity at our sites by 2025 by investing in solar power installations and the energy management system;
* putting a support mechanism in place for transportation sub-contractors, to help them renew their vehicle fleets for example;
* making each employee responsible for reducing the carbon footprint in their professional and personal lives.

At the same time, the Group closely monitors legal and regulatory changes related to climate change, especially with regard to regulations on polluting emissions or CO_2 emissions.

In preparing its financial statements, the STEF Group analyses the consequences of climate change to the best of its knowledge and assesses transition and physical risks.

In particular, the Group has taken into account the estimated cost of implementing the objectives of the “Moving Green” approach in the 2022-2026 strategic plan used to prepare its impairment tests.

In addition, the Group is currently conducting analyses the conclusions of which will make it possible to assess the physical risks incurred.

At this stage, the impact of climate issues is not material to the Group's financial statements.

1.4

Presentation options

The Group has chosen to present, by nature, the operating expenses in the income statement.

The costs of the defined benefit pension plan for the financial year are included in the operating expenses for the total amount including the financial component.

The “other operating income and expenses” include capital gains and losses on disposals of non-current assets, impairments of non-current assets and the operating income and expenses of significant amounts related to unusual events or operations and which are likely to affect the comparability of the financial years.

Net foreign exchange gains and losses are presented in financial income (net gain) or in financial expenses (net loss).

Cash flows generated by the activity are presented in the cash flow statement, using the indirect method.

Note 2

Scope of consolidation

2.1

Rules and consolidation methods

A. Subsidiaries

The accounts of subsidiaries controlled by the parent are consolidated according to the method of full consolidation. STEF has control of a subsidiary when it has, either directly or indirectly, the right to make decisions on the subsidiary's operations and finances with the aim of benefiting from the subsidiary's activities. STEF is assumed to have control when it has, directly or indirectly, power over the subsidiary and is exposed or entitled to variable returns due to its involvement with the subsidiary. STEF also has the ability to exercise its power over the subsidiary in order to influence the amount of any returns it receives. The appreciation of the existence of control is based on the voting rights that the Group has. The subsidiary's consolidation into the Group's accounts begins from the date on which control is obtained and ends when the control ends.

B. Associated companies

The companies jointly controlled by or in which the Group has significant influence but not control are consolidated under the equity method. The Group is assumed to have significant influence when it owns, directly or indirectly, at least 20% of a company's voting rights. A company's consolidation into the Group's accounts under the equity method begins when the significant influence is obtained and ends when the significant influence ends.

C. Cancellation of intra-group transactions and profit

Receivables, liabilities and transactions between consolidated entities are fully cancelled. Intra-group profits realised on the sale of assets are also cancelled, as are intra-group losses. The existence of intra-group losses is an indication of depreciation.

Internal profits and losses between the Group and associated companies are cancelled in proportion of the percentage of the Group's shareholding in these companies.

D. Business combinations

The acquisitions of subsidiaries and shares in associated companies are accounted for under the acquisition method.

During the transition to IFRS, the Group chose not to restate business combinations prior to 1 January 2004. For these combinations, the goodwill shown are the amounts recorded according to the Group's former accounting standards.

Goodwill on acquisitions after 1 January 2004 is equal to the difference, on the acquisition date, between the acquisition cost and the acquired share of the fair value of assets, liabilities and contingent liabilities.

The Group calculates goodwill on the acquisitiion date as follows:

- the fair value of the payment made for the investment; plus
- any minority interest in the acquired company; plus, if the acquisition is made in stages, the fair value of any shareholding previously owned in the Company; minus
- the net amount recorded at fair value of the difference between the assets, liabilities and contingent liabilities.

When the difference is negative, the gain is immediately posted to profit and loss.

Goodwill is valued subsequently at acquisition cost, minus total impairments. Goodwill is subject to impairment tests when there is any indication of impairment in value and at least once a year (see note 13.4).

E. Acquisition of minority interests

The acquisition of minority interests is accounted for as transactions with owners in their capacity as owners and, as such, no goodwill arises.

Adjustments to minority interests are determined on the percentage of the subsidiary's net assets attributable to equity holders of the parent STEF SA.

F. Currency translation

Accounts receivable and accounts payable denominated in foreign currencies are translated at the applicable exchange rates at the balance sheet date. The corresponding exchange rate changes are recorded in profit and loss, except for those relating to receivables and payables which belong, in substance, to net investments in foreign subsidiaries and that are recognised in other comprehensive income.

The assets and liabilities of foreign subsidiaries whose functional currencies are not the euro are translated at the applicable exchange rate at the balance sheet date. Income and expenses are translated at the period's average exchange rate, which, provided there are no significant exchange rate changes, is taken as being close to the applicable exchange rates on the transaction dates. The resulting exchange rate changes are recorded in other comprehensive income.

2.2 Change in scope

2.2.1 Acquisitions and disposals over the period

A. Acquisitions

Intermedia SRL (SVAT Group)

On 28 December 2022, STEF acquired 51% of the shares of Intermedia SRL (SVAT group) in Italy, a company previously accounted for under the equity method. The Group now holds 100% of the share capital in this company. The purchase price for the 51%, paid in full in cash, was €22.5 million. In 2022, the company had a turnover of €82 million for an operating profit of €2.4 million.

SVAT Group was fully consolidated into the Group's accounts on the acquisition date. The work to allocate the purchase price required by IFRS 3R was not finalised at the year-end.
At 31 December 2022, provisional goodwill of €21.6 million was recognised.

The impact of this acquisition is as follows:

Acquisition of SVAT Group (Italy)	
Business activity	Temperature-controlled transport and logistics
Location	Nogarole (Italy)
Acquisition date	28/12/2022
Percentage of acquired equity instruments conferring voting rights	100%
Cost of the combination (including the 1st tranche of 2021)	**€44.055 million**
Fair value of acquired assets and assumed liabilities	**€22.479 million**
Provisional goodwill (Profit on acquisition)	**€21.576 million**
Turnover since acquisition	€0 thousand
Operating profit since acquisition	€0 thousand

Frigosuisse

On 29 June 2022, the Group finalised the acquisition of 100% of the shares in Frigosuisse along with the acquisition of the warehouse in Möhlin, Switzerland. The purchase price was 65 million CHF (€62 million) paid in full in cash. In 2022, Frigosuisse had a turnover of €12.9 million for an operating profit of (€0.3 million).

Frigosuisse was consolidated into the Group's accounts on the acquisition date. The work to allocate the purchase price was finalised at 31 December 2022. No goodwill was recognised for this acquisition.

The impact of this acquisition is as follows:

Acquisition of Frigosuisse (Switzerland)	
Business activity	Temperature-controlled storage and logistics
Location	Möhlin (Switzerland)
Acquisition date	29/06/2022
Percentage of acquired equity instruments conferring voting rights	100%
Cost of the combination	**65.000 million CHF (€62.371 million)**
Fair value of acquired assets and assumed liabilities	**65.000 million CHF (€62.371 million)**
Goodwill (Profit on acquisition)	**0**
Turnover since acquisition	€6.182 million
Operating profit since acquisition	€63 million

TTC Group (Spain)

On 1 July 2022, STEF acquired 100% of the shares of the TTC Group in Spain as well as two warehouses located in A Coruña and Vigo. The purchase price was €9.8 million, paid in cash for €9.3 million and an additional €0.5 million recognised in the financial statements but not yet paid. In 2022, the Group had a turnover of €8 million for an operating loss of (€0.2 million).

TTC Group was consolidated into STEF's accounts on the acquisition date. The work to allocate the purchase price required by IFRS 3R was not finalised at the year-end. At 31 December 2022, provisional goodwill of €5.2 million was recognised.

The impact of this acquisition is as follows:

Acquisition of TTC Group (Spain)	
Business activity	Temperature-controlled transport
Location	A Coruña (Spain)
Acquisition date	01/07/2022
Percentage of acquired equity instruments conferring voting rights	100%
Cost of the combination	**€9.800 million**
Fair value of acquired assets and assumed liabilities	**€4.646 million**
Goodwill (Profit on acquisition)	**€5.154 million**
Turnover since acquisition	€3.309 million
Operating profit since acquisition	(€282 thousand)

Cash used in the acquisition and sale of subsidiaries

	31 December 2022	31 December 2021
Net cash paid out following the acquisition of consolidated shareholdings	(80,737)	(116,952)
Net cash paid out following acquisition of non-controlling interests	0	(20,580)
Net cash following the sales of subsidiaries	0	0
Other items (additional prices/recapitalisation, etc.)	(956)	2,200
Total acquisitions	**(81,693)**	**(135,332)**

B. Sales, liquidations

There were no significant disposals or liquidations in 2022.

2.2.2

Monitoring of 2021 acquisitions

Allocation of Langdons goodwill (now STEF Langdons Ltd)

In 2022, the Group finalised the work to allocate the purchase price of Langdons. The purchase price of the shares in Langdons was subject to an upward price adjustment of €1,281 thousand. This price adjustment corresponds to the difference between the net cash position estimated on the acquisition and the actual net cash position at 31 December 2021. The definitive price amounts to €130,200 thousand.

At the same time, the net assets were revalued to €12,383 thousand, the main effect being the revaluation at fair value of Langdon's real estate assets. Consequently, the goodwill was reduced to €55,048 thousand in the opening balance sheet at 31 December 2022 (vs. €67,431 thousand in the balance sheet published on 31 December 2021).

Allocation of LIA goodwill (now STEF International)

The purchase price of the shares in LIA was adjusted by €623 thousand in STEF's favour. This price adjustment corresponds to the difference between the net cash position estimated on the acquisition and the actual net cash position at 31 December 2021. Consequently, the goodwill was reduced to €11,235 thousand.
There has not been any other adjustment.

Note 3

Segment information

An operating segment is a component of the Group:

* that is engaged in activities from which it is likely to receive income and to incur expenses, including income and expenses related to transactions with other components of the Group;
* the operating profit or (loss) of which is regularly examined by general management with a view to making decisions regarding the resources to be allocated to the segment and assessing its performance; and
* for which separate financial information is available.

Segment information comprises an analysis of the consolidated data by activity and by geographical area.

Readers are reminded that, in accordance with IFRS 8 "Operating segments", the Group identifies and presents three operating segments based on the information sent internally to senior managers, who are the main operational decision makers for the Group.

Information on the results of the segments is shown in the tables below. The performance of each segment is assessed by the executive management based on their operating profit or loss.

The Company has started a discussion on how to define its operating segments (IFRS 8). This reflection is part of the changes in the scope of the Group's activities and managerial organisation. At the end of 2022, the goodwill tests were performed on geographical areas at a lower level than previously identified. This change has no impact on the result of these tests: no impairment is required.

3.1

Information by activity

2022	STEF France	STEF International	Maritime	Others	Consolidated data
Turnover from activities (inter-segment sales included)	2,405,364	1,354,996	104,456	529,102	4,393,918
Inter-segment	(39,479)	(21,130)	0	(69,157)	(129,766)
Net consolidated turnover	**2,365,885**	**1,333,866**	**104,456**	**459,945**	**4,264,153**
Recurring operating profit	**174,761**	**60,744**	**(31,144)**	**(2,488)**	**201,873**
Other operating income and expenses	1,399	(657)	1,109	(251)	1,600
Operating profit	**176,160**	**60,087**	**(30,035)**	**(2,739)**	**203,473**
Financial income					(9,688)
Tax expense					(58,252)
Share in net profit of equity-accounted companies					10,452
Profit for the period	**0**	**0**	**0**	**0**	**145,985**
Activities' assets	1,729,602	1,342,690	145,757	127,232	3,345,281
Unallocated assets	0	0	0	0	0
Total assets	**1,729,602**	**1,342,690**	**145,757**	**127,232**	**3,345,281**
of which goodwill	122,242	164,208	6,816	2,195	295,461
of which associated companies	44,296	6,548	0	0	50,844
Activities' liabilities	559,021	465,500	103,698	16,823	1,145,043
Unallocated liabilities and equity					2,200,239
Total liabilities					**3,345,281**
Depreciation, amortisation recorded in the financial year	(109,704)	(62,189)	(13,087)	(11,309)	(196,289)

2021[1]	STEF France	STEF International	Maritime	Others	Consolidated data
Turnover from activities (inter-segment sales included)	2,110,341	988,670	89,731	443,072	3,631,815
Inter-segment	(31,685)	(17,153)	0	(76,331)	(125,169)
Net consolidated turnover	**2,078,656**	**971,518**	**89,731**	**366,741**	**3,506,647**
Recurring operating profit	**147,798**	**48,624**	**(19,470)**	**1,481**	**178,432**
Other operating income and expenses	(24,927)	651	(9)	(209)	(24,494)
Operating profit	**122,870**	**49,275**	**(19,479)**	**1,272**	**153,938**
Financial income					(6,441)
Tax expense					(45,853)
Share in net profit of equity-accounted companies					8,169
Profit for the period					**109,813**
Activities' assets	1,610,730	1,077,655	155,286	136,554	2,980,225
Unallocated assets	0	0	0	0	0
Total assets	**1,610,730**	**1,077,655**	**155,286**	**136,554**	**2,980,225**
of which goodwill	123,434	136,085	6,816	2,854	269,189
of which associated companies	38,922	26,423	0	0	65,344
Activities' liabilities	565,289	363,234	78,214	23,746	1,030,483
Unallocated liabilities and equity					1,949,743
Total liabilities					**2,980,225**
Depreciation, amortisation recorded in the financial year	(108,212)	(46,413)	(12,673)	(11,226)	(178,524)

1 - Restatement of the assets and liabilities for the 2021 financial year in application of the IFRS 3R standard (see note 2).

The turnover of the “Others” segment includes sales of goods for out-of-home foodservice for €434 million in 2022 compared to €344 million in 2021.

The divisions' assets comprise all the balance sheet assets. Liabilities that are not allocated are financial liabilities. In so far as the Group's financing is provided by a central structure, they cannot be reasonably allocated.

Note 4

Income from ordinary activities

A. Accounting policies

Income from ordinary activities is measured at the fair value of the consideration receivable, net of granted discounts and remissions. Revenue is recorded once every performance obligation is satisfied, *i.e.* when the service is transferred to the customer.

The income from transport activities is recorded when the service has been rendered.

Income from logistics activities is recorded as the rendering of services proceeds.

Products under the supply contract for the out-of-home foodservices business are recognised when the goods are delivered to the points of sale.

Income from maritime activities includes the financial compensation from the Corsica Transport Office provided for under the public service concession contract. This compensation is recognised at the same rate as the underlying performance obligation.

B. Key figures

	France	Other regions	Consolidated data
2022			
Turnover	2,923,987	1,340,165	4,264,153
Areas' non-current assets	1,105,658	1,121,633	2,227,291
2021 [1]			
Turnover	2,516,835	989,812	3,506,647
Areas' non-current assets	1,285,592	760,996	2,046,588

1 - Restatement of the assets for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

Turnover from “Other regions” covers sales made by the Group's entities located in Europe outside France (either domestic sales for the main part or sales to other countries).
The largest contributor is Italy, with consolidated revenues of €469.4 million in 2022 and €432.4 million in 2021.

The turnover reported for France includes sales of goods for out-of-home foodservice.

Note 5

Purchases from third parties

	2022	2021
Purchases other than energy (including foodservice goods)	(486,480)	(387,827)
Purchases of diesel and other fuels	(232,090)	(144,147)
Purchases of other energy	(109,217)	(62,925)
Transport subcontracting	(1,371,778)	(1,119,007)
Rent and lease expenses	(32,365)	(25,652)
Maintenance	(122,260)	(102,005)
External staff and intermediaries' wages and salaries	(198,757)	(185,312)
Insurance and losses	(73,629)	(58,948)
External services and miscellaneous	(93,242)	(76,613)
Total	**(2,719,818)**	**(2,162,437)**

The change in this item is primarily due to the scope effect, the significant increase in energy costs (electricity and fuel) for €134 million, and the increase in the out-of-home foodservice business and related purchases of goods for €111 million.

For fuel, the bottom-of-invoice regulatory scheme in France has limited the Group's exposure. With regards to electricity, due to its business, the Group benefits from fixed price electricity quotas ("ARENH") in France. However, the Group remains exposed to changes in the electricity spot prices for some of its consumption.

Rent and lease expenses mainly correspond to the expenses for leases that are exempt in accordance with the IFRS 16 standard (short term and/or for an asset with a low unit value) and the lease services component (predominantly real estate lease expenses and maintenance and cleaning contracts for rolling stock).

Note 6

Payroll expenses

The methods for evaluating and accounting for the allocation plans for performance shares are defined by the IFRS 2 standard "Share-based payments". The allocation of performance shares in France and internationally is an agreed benefit for their beneficiaries and as such is in addition to the remuneration paid by STEF. Their amount is directly related to the Group's performance.
Consequently, STEF has included the corresponding expense in the operating profit under payroll expenses.

	2022	2021
Salaries and other compensation	(1,039,013)	(896,395)
Net length-of-service awards payable to staff on retirement	(5,124)	(4,863)
Employee incentive bonuses and profit-sharing	(40,464)	(36,187)
Payroll expenses	**(1,084,601)**	**(937,445)**

The “Salaries and other compensation” item includes the expense relating to the allocation plans for performance shares. In 2022, this amounted to €7.3 million, including employer expenses (€3.9 million in 2021).
The characteristics of the allocation plans for performance shares are described in the “General information” section of the corporate governance report.

The increase in salaries and remuneration is mainly due to the scope effect of recent hires.

Payroll expenses include the benefits paid for long-service awards and retirements.

The items relating to these commitments are shown in notes 21 and 22.

Note 7

Depreciation and amortisation

	2022	2021
Amortisation of intangible fixed assets	(3,204)	(2,867)
Amortisation of tangible fixed assets	(132,523)	(121,824)
Amortisation of rights of use	(60,562)	(53,833)
Total	**(196,289)**	**(178,524)**

Note 8

Charges net of reversals to provisions

	2022	2021
Net depreciation on current assets before financial income	(3,016)	(46)
Impairment of other financial assets	(2,884)	36
Other net changes in provisions	155	(3,085)
Total	**(5,744)**	**(3,095)**

Changes in provisions are analysed in note 22.

Note 9

Other operating income and expenses

	2022	2021
Capital gains and losses on disposals of real estate assets	10,870	631
Gains and losses on sales of rolling stock	777	808
Impairment of assets and scrapped goods	(3,059)	(640)
Other operating income	5,241	7,901
Other operating expenses	(12,229)	(33,194)
Total	**1,600**	**(24,494)**

Disposals of real estate assets mainly include the sale of three sites in France and one site in Switzerland.
Other operating expenses include a €7.5 million charge for a tax risk that arose in 2022. In 2021, the item included the provision relating to the dispute with the customs authorities regarding the taxation of its electricity purchases (TICFE) for a base amount of €21.9 million.

Note 10

Changeover from Operating Profit to EBITDA

	2022	2021
Operating profit	203,473	153,938
Net allocations to amortisation and depreciation of fixed assets	196,289	178,524
Net impairment and provisions and other items that do not have any impact on the cash recognised under payroll expenses and other operating income & expenses	15,042	25,591
Total EBITDA	**414,804**	**358,051**

Note 11

Financial income

	2022	2021
Financial income		
Income from fair value of financial assets and liabilities recorded at fair value in the profit and loss	39	44
Other financial income	743	788
Net foreign exchange gains	318	148
Financial expenses		
Net interest expenses on financial liabilities measured at amortised cost	(8,296)	(5,590)
Interest expenses on lease obligations	(2,491)	(1,831)
Net foreign exchange losses		
Total	**(9,688)**	**(6,441)**

The Group's debt is mainly fixed-rate debt (note 25).

With regard to its variable rate loans, the Group was affected by the increase in rates, especially in the fourth quarter (3-month Euribor at 0.35% on average for 2022 vs. - 0.55% in 2021).

The financial income was also negatively impacted by the increase in outstanding financial debts resulting from the significant real estate investments and external growth operations carried out during the year.

The weighted average incremental borrowing rate relating to the lease obligations was 1.07% for the period (0.81% in 2021).

Note 12

Income tax

The expense (or income) from income tax includes, on the one hand, the tax payable for the year, and, on the other hand, the expense or income from deferred taxes. Payable and deferred taxes are recorded in profit and loss unless they are related to a business combination or to elements that are posted directly to equity or to other comprehensive income, in which case they are recorded in equity or in other comprehensive income.

Deferred taxes are calculated by tax entity when there are temporary differences between the book values of assets and liabilities and their tax values. They are valued by applying the tax rates that will be in force when the temporary differences are settled, on the basis of tax legislation adopted or virtually adopted on the balance sheet date.

Deferred tax assets are only reported under deductible temporary differences and tax loss carry forwards and unused tax credits when it is likely that the tax entities concerned will have future taxable profits against which these tax assets could be charged. They are reviewed at each balance sheet date. The tax rate used to calculate deferred taxes is that known on the balance sheet date. The effects of rate changes are recorded in profit and loss over the period during which the decision to make this change is taken.

12.1

Breakdown of the income tax expense in the income statement

	2022	2021
Current tax expense	(63,184)	(46,483)
Deferred tax expense/income (note 12.3)	4,932	630
Total	**(58,252)**	**(45,853)**

12.2

Reconciliation between tax expense calculated based on the rates of tax applicable to the parent company and the actual expense

	2022	2021
Profit before tax	193,785	147,496
Current tax rate	25.83%	28.41%
Theoretical tax at the rate of (current tax)	(50,055)	(41,904)
Impact of the profits from the maritime business subject to tonnage tax	(8,332)	(6,023)
Use of previous deficits not activated	1,015	63
Creation of deficits in the period not activated	(390)	(778)
Deficits activated in the period	2,505	
Depreciation of activated deficits	0	(658)
Difference in foreign tax rates	1,103	561
Effect of rate changes on deferred taxes	(7)	381
Other elements and permanent differences	(4,092)	2,505
Effective tax	**(58,252)**	**(45,853)**
Effective rate of tax	**30.1%**	**31.1%**

The decrease in the effective tax rate is mainly due to the decrease in the corporate tax rate in France (from 28.41% in 2021 to 25.83% in 2022). This effect is partially offset by the increase in losses in the maritime business, which did not affect the tax expense given the specific taxation (tonnage tax).

12.3

Deferred tax assets and liabilities

The net deferred tax positions for each country at the balance sheet date, are as follows:

2022	France	Belgium	Spain	Italy	United Kingdom	The Netherlands	Portugal	Switzerland	Luxembourg	Group Total
Deferred tax	(18,305)	(782)	(642)	3,074	(6,151)	1,274	218	1,045	(66)	(20,335)
2021 restated [1]	**France**	**Belgium**	**Spain**	**Italy**	**United Kingdom**	**The Netherlands**	**Portugal**	**Switzerland**	**Luxembourg**	**Group Total**
Deferred tax	(20,720)	(859)	(850)	7,702	(5,434)	8	222	487	0	(19,444)

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

The main types of deferred tax, and their changes during the year are as follows:

2022	1 January 2022 restated [1]	Changes in profit and loss	Other changes	Changes in OCI	31 December 2021
Deferred tax assets					
Temporary tax differences	11,397	570	596	0	12,563
Fair value of hedging instruments	198	21	16	(1,705)	(1,470)
Loss carryforwards	3,375	636	23	0	4,034
Others	10,798	100	217	(2,909)	8,206
Effect of the offsetting	(14,888)	0	0	0	(13,513)
Total deferred tax assets	**10,880**	**1,327**	**852**	**(4,614)**	**9,820**
Deferred tax liabilities					
Additional depreciation	(22,613)	(2,595)	12	0	(25,196)
Capitalised leases	(5,932)	1,560	(1,598)	0	(5,970)
Revaluation of fixed assets	(7,903)	712	(262)	0	(7,453)
Others	(8,764)	3,928	(212)	0	(5,048)
Effect of the offsetting	14,888	0	0	0	13,513
Total deferred tax liabilities	**(30,324)**	**3,605**	**(2,060)**	**0**	**(30,154)**
Net impact	**(19,444)**	**4,932**	**(1,208)**	**(4,614)**	**(20,334)**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

2021	1 January 2021 restated [2]	Changes in profit and loss	Other changes	Changes in OCI	31 December 2021 restated [1]
Deferred tax assets					
Temporary tax differences	9,615	34	1,748	0	11,397
Fair value of hedging instruments	1,228	21	10	(1,061)	198
Loss carryforwards	3,104	(1,075)	1,346	0	3,375
Others	12,305	290	(1,053)	(744)	10,798
Effect of the offsetting	(17,750)	0	0	0	(14,888)
Total deferred tax assets	**8,502**	**(730)**	**2,051**	**(1,805)**	**10,880**
Deferred tax liabilities					
Additional depreciation	(20,951)	(1,678)	16	0	(22,613)
Capitalised leases	(8,990)	2,921	137	0	(5,932)
Revaluation of fixed assets	(5,082)	495	(3,317)	0	(7,903)
Others	(5,496)	(378)	(2,904)	13	(8,764)
Effect of the offsetting	17,750	0	0	0	14,888
Total deferred tax liabilities	**(22,769)**	**1,360**	**(6,067)**	**13**	**(30,324)**
Net impact	**(14,267)**	**630**	**(4,016)**	**(1,792)**	**(19,444)**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).
2 - Restatement of deferred tax assets and liabilities related to the impact of the IFRIC decision on attributing post-employment benefit plan rights (see note 1 to the consolidated financial statements for 2021).

Other changes include the impact of additions to the scope and reclassification by nature.
The Group believes that, based on the local action plans and subsequent profit forecasts made using conservative estimates, the subsidiaries carrying these assets will in the foreseeable future have sufficient taxable profit against which the recognised deferred tax assets will be able to be charged.
The total unrecognised deferred tax bases, under loss carryforwards, amounted to €31.1 million at the end of 2022, mainly in France (€12.7 million), the Netherlands (€10.5 million), and Switzerland (€3.6 million). It should be noted that for the latter two countries, an amount of €2.1 million was recognised this year in order to take into account the improvement in the outlook for results provided in the business plans.

Note 13

Intangible and tangible fixed assets

Tangible and intangible fixed assets are reported at amortised cost less deductions for losses in value in application of IAS 36 (note 13.4).

13.1

Goodwill and intangible fixed assets

A. Goodwill

The accounting principles relating to goodwill are described in note 2.1.D.
The change in goodwill over the period is as follows:

	2022	2021 (1)
Net value at 1 January	269,189	206,177
Acquisition of subsidiaries and businesses	26,107	63,012
Disposals	(568)	0
Depreciation for the period	0	0
Exchange rate difference	733	0
Net value at 31 December	**295,461**	**269,189**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

In 2022, goodwill for the period includes €21.4 million for the acquisition of Svat Holding Intermedia in Italy and €5.2 million for the acquisition of Transporte Temperatura Controlada and TTC Logistica Frigorifica in Spain.
In 2021, goodwill mainly included €55.5 million relating to the acquisition of the Langdons Group companies in the United Kingdom and €11.9 million relating to the additional acquisition of the 51% of Logistique Internationale Alimentaire which was 49% owned by STEF last year. A decrease in goodwill of (€3.5 million) relating to the STEF Nogarole purchase price adjustment was recognised over the same period.

B. Intangible fixed assets

Accounting policies

Intangible fixed assets, other than goodwill, mainly comprise computer software that is either developed in-house or purchased. They are stated at their historic or production cost in the balance sheet. They are amortised on a straight-line basis over their expected useful life, which currently is no longer than five years.
Development costs for software for internal use or intended for sale are fixed from the day when certain conditions are met, especially when it is shown that this software will generate probable future economic benefits due to a significant improvement in operating processes, and that the Group has adequate technical and financial resources to produce it and intends to use it, or sell it.

Change in the net book value:

The detail of the intangible fixed assets is as follows:

Gross values	Software	Other intangible assets	Total
At 31 December 2020	**134,414**	**27,272**	**161,686**
Acquisitions	2,024	1,407	3,431
Changes in scope	988	514	1,502
Other changes	460	(640)	(180)
Sales and scrapped goods	(299)	0	(299)
At 31 December 2021	**137,586**	**28,553**	**166,139**
Acquisitions	1,832	781	2,613
Changes in scope	485	0	485
Other changes	688	(1,660)	(972)
Sales and scrapped goods	(398)	(5,403)	(5,801)
At 31 December 2022	**140,194**	**22,271**	**162,465**
Depreciation, amortisation and impairment	**Software**	**Other intangible assets**	**Total**
At 31 December 2020	**130,838**	**17,069**	**147,907**
Allocations	2,822	45	2,867
Changes in scope	773	7	780
Other movements	(202)	(6)	(207)
Reversals and sales	(293)	0	(293)
At 31 December 2021	**133,939**	**17,115**	**151,054**
Allocations	3,311	(107)	3,204
Changes in scope	52	0	52
Other movements	(40)	(1,503)	(1,543)
Reversals and sales	(390)	(3,688)	(4,078)
At 31 December 2022	**136,873**	**11,817**	**148,689**
Net book values	**Software**	**Other intangible assets**	**Total**
At 31 December 2021	**3,648**	**11,438**	**15,085**
At 31 December 2022	**3,322**	**10,454**	**13,776**

13.2

Tangible fixed assets

Accounting policies

Tangible fixed assets mainly comprise cold stores, platforms, transport vehicles, ferries and office buildings.
With regard to fixed assets revalued prior to 1 January 2004, the date of transition to IFRS, their restated values were presumed to correspond to their purchase cost on this date.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful life. The depreciable amount is the acquisition cost, except for recent warehouses and platforms, for which the depreciable amount is 90% of the acquisition cost. Where some construction components have a useful life that is less than the useful life of the whole construction, they are depreciated over their own useful lives.
Land is not depreciated.

The useful lives, which are estimated from new delivery, are as follows:

- warehouses and platforms: 25 to 30 years
- subsequent extensions: 20 years
- office buildings: 40 years
- equipment and production facilities: 10 years
- fixtures and fittings: 6 to 10 years
- photovoltaic facilities: 25 years
- vessels: 20 years
- transport equipment: 5 to 12 years
- office furniture: 7 to 10 years
- computer equipment: 3 to 5 years

The borrowing costs directly attributable to the purchase, construction and production of an eligible asset are incorporated into the cost of the asset. Eligible assets are vessels bought new, where the duration of construction greatly exceeds 12 months.

Investment grants are assistance received from the public authorities to contribute to financing certain investments. In accordance with the option offered by IAS 20, the Group has opted to present investment grants as a deduction to the cost of the fixed assets financed, which has the effect of reducing the depreciation bases and depreciation and amortisation.

Change in the net book value

The change in tangible fixed assets, including the rights of use under leases, is as follows:

Gross values	Land and buildings	Equipment for transport	Vessels	Others	Total
At 31 December 2020	**1,653,279**	**265,264**	**323,162**	**733,919**	**2,975,624**
Acquisitions	71,745	44,848	1,049	92,610	210,252
Changes in scope	62,465	33,484	0	22,665	118,614
Sales and scrapped goods	(16,750)	(35,825)	0	(15,915)	(68,490)
Other changes (including fixed assets under construction)	34,323	8,743	2,865	(35,884)	10,046
At 31 December 2021 (1)	**1,805,061**	**316,513**	**327,076**	**797,395**	**3,246,045**
Acquisitions	110,502	61,750	2,741	114,877	289,870
Changes in scope	78,730	8,126	0	27,278	114,134
Sales and scrapped goods	(35,491)	(31,511)	0	(24,849)	(91,851)
Other changes (including fixed assets under construction)	39,166	(1,382)	11,107	(36,629)	12,261
At 31 December 2022	**1,997,968**	**353,496**	**340,924**	**878,072**	**3,570,459**
Depreciation, amortisation and impairment	**Land and buildings**	**Equipment for transport**	**Vessels**	**Others**	**Total**
At 31 December 2020	**636,126**	**119,260**	**215,541**	**478,232**	**1,449,159**
Allocations	68,113	47,646	11,146	48,752	175,657
Changes in scope	5,194	12,275	0	12,245	29,714
Sales and scrapped goods	(10,545)	(32,537)	0	(14,605)	(57,687)
Other changes	2,391	5,195	0	(836)	6,750
At 31 December 2021	**701,279**	**151,839**	**226,687**	**523,788**	**1,603,593**
Allocations	74,409	55,626	11,556	51,494	193,085
Changes in scope	7,089	5,315	0	18,565	30,969
Sales and scrapped goods	(22,355)	(30,424)	0	(23,493)	(76,272)
Other changes	12,004	(929)	0	1,809	12,884
At 31 December 2022	**772,426**	**181,427**	**238,243**	**572,162**	**1,764,258**
Net book values	**Land and buildings**	**Equipment for transport**	**Vessels**	**Others**	**Total**
At 31 December 2021 (1)	**1,103,782**	**164,674**	**100,389**	**273,607**	**1,642,452**
At 31 December 2022	**1,225,542**	**172,068**	**102,681**	**305,910**	**1,806,202**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

The changes in the scope primarily concern the assets acquired from SVAT in Italy and the assets of Frigosuisse.

In addition, acquisitions for the period, listed in the “Others” column, include fixed assets under construction for €50.4 million (compared with €51.8 million at 31 December 2021) corresponding in particular to sites being built or redeveloped.

13.3

Leases

Accounting policies

✱ Lease obligations

On the start date of the lease, the Group recognises the liabilities under the lease, measured at the present value of the lease payments to be made over the term of the lease. The present value of the leases is primarily calculated using:

- the contract rate when this is available;
- or otherwise, the Group's incremental borrowing rate to which a spread is added to take account of the risk appropriate to each country. This rate is adjusted to the contract term (residual term for existing contracts at the first application date) taking account of its duration.

The lease payments include fixed lease payments (less any lease incentives receivable), variable lease payments that depend on an index or rate, amounts that should be paid under residual value guarantees and the exercise price of a purchase option and termination penalties if it is reasonably certain that these options will occur. The service component is separated from the lease payment and is recorded as an expense for the period.

The book value of the liability for leases is re-evaluated in the event of the contract's re-estimation or modification (for example, change in the lease term, change in the lease payments, application of annual indexation, etc.).

✱ Right of use relating to leases

The Group recognises the assets related to the right of use on the lease start date (*i.e.* the date on which the underlying asset is available). The assets are measured at cost and adjusted depending on the re-evaluation of the lease liabilities. The cost of the right-of-use assets includes the amount of the lease liabilities, the initial direct costs incurred and the lease payments made on the effective date or before, less the lease incentives received.

These assets are amortised on a straight-line basis over the shortest duration represented by either the estimated useful lifetime of the underlying asset or the lease term unless the Group is reasonably certain to become the owner of the leased asset at the end of the lease term.

Contracts where the original term is less than 12 months and/or where the asset has a low unit value (less than or equal to €5,000) do not give rise to the recognition of an asset and a liability.

Right-of-use assets are subject to impairment ("transition method" applied).

✱ Determining contract terms

The lease term to be used to determine the present value of the lease payments is the non-cancellable term of the lease adjusted to reflect:

- the options to extend the contract that the Group is reasonably certain to exercise;
- the early termination options that the Group is reasonably certain not to exercise.

The Group's contract terms vary depending on their type and the geographical areas.

The term used for leases other than real estate leases generally corresponds to the term defined in the contract.

In terms of real estate leases, some real estate leases present unilateral contract termination options (particularly in France with 3-6-9 leases, emphyteutic leases and Temporary Occupation Permits). Thus, in order to determine the term to be used to calculate the lease obligation, the Group determines the enforceable contract term (maximum term) and takes into account the termination options if it is not reasonably certain that the lease will continue beyond the termination option. This assessment is made in partnership with the Group's Real Estate Division which determines the real estate strategy. Inseparable fixtures held by the Group are also taken into account.

* Income tax

A deferred tax is recognised based on the net amount of temporary taxable and deductible differences. On the initial recognition date of the right of use and lease obligation, no deferred tax is recorded if the asset amount is equal to the liability amount.

Net temporary differences that could result from subsequent changes in the right of use and the lease commitment give rise to the recognition of deferred tax.

Change in the net book value of the rights of use related to leases

The rights of use relating to leases are presented by underlying asset type below:

	Real estate	Rolling stock	Other assets	Total
At 31 December 2021	**115,186**	**123,952**	**2,686**	**241,823**
Increases	25,514	28,301	790	54,605
Changes in scope	14,411	847	169	15,427
Depreciation and amortisation	(17,350)	(42,431)	(781)	(60,562)
Terminations	(3,734)	(962)	(79)	(4,775)
Reclassifications and other changes*	(4,318)	(374)	(16)	(4,708)
At 31 December 2022	**129,709**	**109,332**	**2,768**	**241,809**

*Including the transfer of fixed assets for which stock options were exercised.

13.4

Impairment of goodwill and fixed assets

Accounting policies

IAS 36 sets out how to ensure that the book value of intangible (including goodwill) and tangible fixed assets does not exceed their recoverable amount value.

The recoverable value of an asset is the highest value between its value in use and its fair value, net of costs to sell. The value in use of an asset is the discounted value of future cash flows expected from its use. Fixed assets that do not produce sufficiently autonomous cash flows are grouped into a Cash Generating Unit (CGU).

Goodwill is allocated and tested to the CGUs whose scope covers geographical areas where the Group provides logistics and transport services. Furthermore, the Group has a specific CGU related to its maritime activity.

In accordance with IAS 36, impairment tests are conducted at least once a year on goodwill.
Tests are also performed when an event occurs that indicates a probable loss of value that could call into question the recoverable amount of the CGU to which these items are attached, such as a significant drop in profitability or a specific regulatory change that could have a lasting and significant negative impact on profitability.

Furthermore, the Group regularly analyses whether its tangible fixed assets are subject to indications of impairment and, where necessary, establishes impairment tests.

The forecast future cash flows of a fixed asset or a CGU are based on:

* the 5-year budget projection with a growth rate based on 3 years of historical data; and
* a final value determined by capitalising a normative cash flow assigned a growth rate specific to the activity concerned;
* the specific growth rate for the area in question is determined based on market studies of food products and the road transport and logistics sector;
* for the Maritime CGU, its recoverable amount took into account the value of the vessels estimated by an expert. However, given the acquisition agreement referred to in note 31, the market value has been determined on this basis.

The resulting cash flows are discounted at a determined rate representing the weighted average cost of capital.

An impairment charge is recognised if the book value of a fixed asset or cash-generating unit is greater than its recoverable value. This impairment is first allocated to reducing the book value of any goodwill recognised for the CGU, then to reducing the book values of the unit's other assets.
An impairment recognised under goodwill cannot be reversed.

Impairment tests for CGUs

In accordance with IAS 36, impairment tests were performed at the 2022 balance sheet date. These tests were conducted by geographical area. The values in use of CGUs correspond to discounted future cash flows, whose recoverable value was estimated based on the market value provided for in the acquisition agreement referred to in note 31. The main assumptions used to calculate the discounted cash flows are as follows:

	France	Other regions
Discount rate	7.7%	6.8% – 10.4%
Growth rate for a specific term	1.5%	2.0%

The discount rate corresponds to the weighted average cost of capital including the generally accepted parameters (beta, market risk premium). This rate takes account of the tax impact. It is determined by CGU.

Breakdown by segment of goodwill and assets with an indeterminate useful life

	France	Other regions	Maritime	Total
Goodwill and intangible assets with an indeterminate useful life	132,737	165,307	6,816	304,860

Sensitivity analysis

The table below shows, for each CGU (geographical areas outside France are grouped together in the Other regions line), the test margins that correspond to the difference between the recoverable value and the book value resulting, on the one hand, from a change in the growth rate (decrease of 1 percentage point), and, on the other hand, from a change in the discount rate (increase of 1 point).

Test results:

The tests conducted conclude that there is no impairment of the various CGUs tested.

The discount rate that would give recoverable values equal to the net book values is 17.8% for France and between 12.8% and 18.1% for the other regions.

In millions of euros	Margin of resistance to change in	
31/12/2022	growth rates (decrease of 1 pt)	of discount (rise of 1pt)
France	1,375	1,304
Other regions	777	729
Total	**2,152**	**2,033**

With regard to the Maritime CGU, the terms of the agreement mentioned in note 31 confirm its enterprise value.

Note 14

Non-current financial assets

Accounting policies

The financial assets representative of non-consolidated shares are measured at fair value through the other comprehensive income. Assets where the fair value cannot be determined reliably are measured at the acquisition cost for simplification and given their generally insignificant amounts.

Loans and receivables mainly comprise loans paid to staff under the employers' contribution to construction investments for the amount of €26.5 million in 2022 (€26.2 million in 2021). These interest-free loans granted to organisations as part of the mandatory contribution of employers to the construction effort are recorded initially at fair value which corresponds to their discounted value on the date the loans are paid.
The difference between the discounted value and the sum paid is charged as an expense at the time of payment.

Change over the financial year

Non-current financial assets are broken down as follows:

	31/12/2022	31/12/2021
Financial assets at fair value through other comprehensive income	7,209	4,111
Other financial assets at amortised cost	43,979	39,527
Total	**51,188**	**43,638**

Note 15

Investments in associated companies

The data from the financial statements of associated companies consolidated by the equity method appears below:

31 December 2022	Attributable to Group shareholders	Total turnover	Total assets	Company's net assets	Equity value	Net income	Net profit (loss) attributable to Group	Dividends paid to the Group
GROUPE PRIMEVER	40%	449,678	297,162	56,202	23,179	11,986	4,794	400
MESSAGERIES LAITIÈRES	39%	95,184	52,662	17,574	8,135	3,552	1,374	1,385
NORFRIGO	38%	12,894	38,867	25,344	6,665	1,066	401	0
FROID COMBI	25%	27,345		8,277	2,111	4,116	1,049	834
OLANO SEAFOOD IBERICA	32%	52,404	18,844	7,392	2,711	2,382	762	480
OLANO VALENCIA	40%	7,958	20,772	4,213	2,580	804	322	0
SNC NORMANDIE EXPORT LOGISTICS	39%	3,329	11,569	7,064	2,733	(61)	(24)	0
QSL STEF	49%	597,643		5,151	2,524	1,222	599	0
MEDSEALOG	40%	33,060	15,497	1,845	1,257	604	242	0
INTERMEDIA (SVAT GROUP) [1]	49%	84,318	42,622	17,627	0	2,142	1,050	
OTHER ENTITIES (SSCV)				(46)	(1,051)	(238)	(117)	65
Total		**1,363,813**	**497,995**	**150,643**	**50,844**	**27,574**	**10,452**	**3,165**

1 - Company fully consolidated at 31 December 2022.

31 December 2021	Attributable to Group shareholders	Total turnover	Total assets	Company's net assets	Equity value	Net income	Net profit (loss) attributable to Group	Dividends paid to the Group
GROUPE PRIMEVER	40%	372,605	274,012	45,216	18,784	9,212	3,685	400
MESSAGERIES LAITIÈRES	39%	86,531	48,356	17,635	8,159	3,645	1,410	1,074
NORFRIGO	38%	10,720	39,711	24,278	6,264	5	2	0
FROID COMBI	25%	24,437	19,247	7,433	1,895	3,284	837	510
OLANO SEAFOOD IBERICA	32%	45,678	16,092	6,510	2,430	1,432	458	0
OLANO VALENCIA	40%	5,900	15,082	3,408	2,258	472	189	0
SNC NORMANDIE EXPORT LOGISTICS	39%	3,115	11,608	7,125	2,757	(93)	(36)	0
QSL STEF	49%	427,156	71,763	3,925	1,925	1,220	598	0
LIA [1]	49%	36,127	11,163	5,740	0	1,402	687	144
MEDSEALOG	40%	32,097		1,241	1,015	(487)	(195)	0
INTERMEDIA (SVAT GROUP) [2]	49%	70,458	40,346	16,600	20,720	285	140	0
OTHER ENTITIES (SSCV)					(863)	805	394	284
Total		**1,114,824**	**547,380**	**139,111**	**65,344**	**21,182**	**8,169**	**2,412**

1 - Company fully consolidated at 31 December 2022.

2 - Company accounted for using the equity method on 28 October 2021.

The Group is not a stakeholder in any joint venture.

Note 16

Inventories

Accounting policies

Inventories mainly comprise fuel, spare parts, commercial packaging, consumable materials, and goods from the out-of-home foodservices business.

They are valued at their purchase cost, primarily using the first-in/first-out method (FIFO). Damaged stocks are subject to impairment charges, which are determined on the basis of their probable realisable values.

Change over the period

	31 December 2022	31 December 2021
Raw materials and supplies	81,811	59,004
Foodservice goods	44,586	27,278
Total	**126,397**	**86,282**
Depreciation	(50)	(53)
Total	**126,347**	**86,229**

The change in this item is due to an increase in the stock of pallets, resulting in particular from an increase in the unit value, and to the stock of goods related to out-of-home food service customers as a result of recent commercial developments.

Note 17

Customers

Accounting policies

Trade receivables with short maturities are recorded on the asset side of the balance sheet at their nominal value, which is close to their fair value. In the event of failure by debtors and an objective indication of a loss in value, trade receivables are subject to an impairment charge, so that their net amounts reflect expected cash flows.

Change over the period

This item is presented as follows:

	31 December 2022	31 December 2021
Gross amount of trade receivables	748,813	624,128
Depreciation	(13,944)	(11,166)
Total	**734,869**	**612,962**
of which not due	619,603	541,485
of which no more than 1 month late	85,746	54,980
of which 1 to 2 months late	18,116	9,638
of which 2 to 3 months late	5,739	3,774
of which 3 to 6 months late	3,340	1,111
of which more than 6 months late	2,326	1,975

Changes in depreciation in the trade receivables recognised in the income statement for 2022 and 2021 are referred to in note 8. No single customer accounts for 10% or more of revenue.

Note 18

Other receivables and current financial assets

This item is comprised as follows:

	31 December 2022	31 December 2021
Advances and deposits paid	9,251	8,787
Social charges	2,618	2,991
Tax expenses excluding corporate tax	106,556	90,076
Active current accounts	7,944	9,538
Prepayments under assets	14,959	9,578
Other receivables	26,418	17,782
Total	**167,746**	**138,752**

Other receivables with short maturities are recorded on the asset side of the balance sheet at their nominal value, which is close to their fair value. In the event of failure by debtors and an objective indication of a loss in value, these receivables are subject to an impairment charge, so that their net amounts reflect expected cash flows.

Note 19

Cash and cash equivalents

Accounting policies

Cash equivalents are short-term, highly liquid investments that are easily convertible to a known amount of cash and which are subject to a negligible risk of a change in value. The Group opted to manage these assets at fair value, subsequent changes in fair value are recorded in profit and loss.

Change over the period

	31 December 2022	31 December 2021
Marketable securities and investments	2,248	2,253
Cash assets	85,346	89,986
Total cash and cash equivalents	**87,593**	**92,239**
Bank overdrafts and short-term loans	(81,018)	(18,436)
Total net cash	**6,575**	**73,803**

Note 20

Equity and earnings per share

The Group's policy is to maintain a strong capital base to preserve the confidence of investors, creditors and the market and to allow the future growth of the business and ensure the liquidity of STEF shares. To ensure a certain trading volume in STEF shares, the Group signed a liquidity contract with a financial institution.

20.1

Share capital

The number of shares comprising the share capital is 13,000,000 shares with a nominal value of €1 at 31 December 2022 as at 31 December 2021.

The Board of Directors meeting on 9 March 2023 proposed a dividend to be paid for the financial year at €4 per share.

The Group paid dividends for the 2021 financial year amounting to €37.3 million or €3 per share.

20.2

Treasury shares

The amounts disbursed by the Group to buy STEF shares (treasury shares) are accounted for as a deduction from equity. Where the treasury shares are sold or put back into circulation, the amounts collected offset the equity. The disposal of treasury shares as transactions between shareholders does not generate any profit.

20.3

Earnings per share

The non-diluted earnings per share is determined by dividing the net profit attributable to STEF shareholders by the weighted average number of shares in circulation during the year.

The weighted average number of shares in circulation is determined by taking into account shares issued as a result of the exercising of stock options by the beneficiaries of these options, treasury shares acquired by the Group that are cancelled and treasury shares allocated to beneficiaries who exercise their share purchase options.

The diluted earnings per share is calculated based on a number of shares increased by the effect of exercising all these instruments.

The reconciliation between the existing shares at the beginning of the financial year and the weighted average number of shares in the calculations of the earnings per share is as follows:

	31 December 2022	31 December 2021
Group share profit	**146,359**	**110,008**
Number of shares comprising share capital at 31 December (a)	13,000,000	13,000,000
Number of treasury shares at the end of the financial year (b)	576,022	613,476
Weighting of financial year's treasury share movements (c)	(9,864)	(3,291)
Weighted average number of shares in the financial year for calculating the non-diluted earnings (a) - (b) + (c)	**12,414,114**	**12,383,233**
Number of treasury shares assigned to the performance action plan (d)	(223,344)	(144,151)
Weighted average number of shares used for calculating the diluted earnings per share (a) - (b) + (c)- (d)	**12,637,458**	**12,527,384**
Earnings per share in euros:		
* non-diluted	11.79	8.88
* diluted	11.58	8.78

Note 21

Staff benefits

21.1

Accounting policies

A. Post-employment benefits

Post-employment defined benefits granted by the Group are recorded in liabilities, as and when rights are acquired. They are evaluated using the actuarial projected unit credit method, applied to an estimate of the salaries when indemnities are paid. The actuarial gains resulting from changes in assumptions, differences between the forecasts and the paid amounts are recorded in other comprehensive income.

The fair value of the ring-fenced funds managed by insurance companies to cover the commitment are deducted from the liabilities. The differences between actual return on ring-fenced funds and financial income recorded in profit and loss, based on the actuarial rate selected for calculating the actuarial liability are recorded in other comprehensive income.

B. Other long-term benefits

The other long-term benefits are remunerations paid more than one year after the end of the period during which the service was provided by the employee. They are recorded as and when employees acquire rights and are determined in the same way as retirement bonuses. However, the resulting actuarial gains are immediately recorded in profit and loss.

Post-employment benefits and other long-term benefits are determined by an independent actuary.

21.2 Assumptions used

The main assumptions used to measure the actuarial liability of commitments of length-of-service awards payable on retirement, are as follows:

		Eurozone	Switzerland
Discount rate	**2022**	**3.80%**	**2.30%**
	2021	1.00%	0.45%
Inflation rate	**2022**	**2.00%**	**0.75%**
	2021	1.75% or 2%	0.50%
Forecast rate of return of ring-fenced funds	**2022**	**2.00%**	**0.75%**
	2021	1.75% or 2%	0.50%
Forecast rate of increase of workforce	**2022**	**2.5% or 2%**	**1.00%**
	2021	2.25% or 1.75%	1.00%
Average duration (in years)	**2022**	**9**	**24**
	2021	10	28
Retirement age	**2022**	**60 to 66 years**	
	2021	60 to 66 years	
Mortality table	**2022**	**TGH/F 05 and RGM/ RGF 48**	**BGV 2020**
	2021	TGH/F 05 and RGM/ RGF 48	BVG 2020

The retirement age depends on the employees' classification and the sectors of activity in which they are employed. Moreover, it is assumed that employees leave the Group based on a request for voluntary departure. The benefits paid to them in France are therefore subject to social security contributions in accordance with the Fillon law of 2003 and subsequent social security financing laws.

A sensitivity test was performed with:

* discount rates differing by 0.25% compared to the above rates. This results in a decrease in the commitment of €1.4 million or an increase of €1.3 million depending on whether the discount-rate increments are added or subtracted;
* a wage increase rate differing by 0.25% compared to the above rates. This results in an increase in the actuarial liability of €0.9 million or a decrease of €1.2 million depending on the direction of the change in salary increases.

21.3

Change over the financial year

Net debts relating to these post-employment benefits are detailed below:

	2022	2021
Actuarial liability	54,802	65,778
Hedge assets	(44,243)	(45,989)
subtotal Length-of-service awards payable on retirement	**10,559**	**19,789**
Long-service awards	9,661	10,904
Total	**20,220**	**30,693**

Change in net values reported in the balance sheet are as follows:

	2022	2021
Amount at 1 January	**19,789**	**20,205**
Expenses for the year	5,124	4,863
Change in scope	1,637	230
Change in actuarial gains	(11,737)	(1,631)
(Premiums paid)/payments received from insurance companies	1,150	1,250
Contributions paid by employees/employer	(760)	(602)
Benefits paid	(4,709)	(4,627)
Foreign exchange gains or losses	66	101
Amount at 31 December	**10,559**	**19,789**

The change in actuarial liability is presented below:

	2022	2021
Amount at 1 January	**65,778**	**63,528**
Rights acquired during the year and financial cost of undiscounting the actuarial liability	5,548	5,110
Benefits paid	(4,709)	(4,627)
Projected actuarial liability at 31 December based on the assumptions at the start of the financial year	**66,617**	**64,011**
Change in scope	1,637	230
Contributions paid by employees	1,062	1,466
Actuarial gains related to:		
* demographic assumptions	0	178
* financial assumptions	(16,162)	(2,603)
* experience adjustments	1,202	2,090
Foreign exchange gains or losses (Switzerland)	446	406
Amount at 31 December	**54,802**	**65,778**

The change in the fair value of hedge assets is detailed in the table below:

	2022	2021
Amount at 1 January	**45,989**	**43,323**
Change in scope		
Expected financial return	424	247
Actuarial gains	(3,223)	1,296
Contributions paid by employees	1,062	1,466
Contributions paid by the employer	760	602
Repayments on services received of funds	(1,150)	(1,250)
Foreign exchange gain or loss	380	305
Fair value of assets at 31 December	**44,243**	**45,989**

The details of expenses for the year are as follows:

	2022	2021
Rights acquired during the year	4,953	4,754
Financial cost of undiscounting the actuarial liability	595	356
Forecast return on ring-fenced funds	(424)	(247)
Expenses for the year	**5,124**	**4,863**

The payment schedule for theoretical benefits is as follows:

Schedule of theoretical benefits to be paid per year	2022	2023	2024	2025	2026
Payment of theoretical benefits	**4,791**	**3,744**	**4,973**	**5,484**	**6,781**

Expenses for the year were recorded as operating expenses. Ring-fenced funds, managed in euros, are deposited with institutional investors in France and Switzerland. They benefit from a capital guarantee and, for the most part, from a minimum return guarantee. The ring-fenced funds with insurance companies are comprised of assets in euros (main component) and diversified assets, some offering a minimum rate guarantee and in all cases a capital guarantee.

Note 22

Provisions

Accounting policies

Provisions are liabilities where the maturities or the amount entail a certain amount of uncertainty.
They are recognised when the Group has to deal with an actual, legal, or implicit obligation arising from past events and when the obligation can be reliably estimated and when it is likely that this will result in an outflow of funds. They are created at an amount equal to that which is most likely to be disbursed.

The provisions for commercial disputes after damage occurring during the execution of transport and logistics services are measured on a case by case basis through claims received or known at the balance sheet date of each financial year.

Change over the period

The detail of the provision for risks and expenses on the balance sheet is as follows:

	31 December 2022	31 December 2021 (1)
Length-of-service awards payable on retirement	10,559	19,789
Long-service awards	9,661	11,132
Dispute provisions	16,681	16,367
Other provisions	49,331	38,294
Total	**86,232**	**85,582**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

The change in provisions, other than those relating to length-of-service awards payable on retirement, developed in note 21, is presented as follows:

	Long-service awards	Disputes	Others	Total
at 1 January 2022 (1)	**11,132**	**16,367**	**38,293**	**65,792**
Changes in scope and other changes	13	1,067	(46)	1,033
Allocations	122	13,692	14,081	27,896
Reversals used	(630)	(6,369)	(753)	(7,752)
Reversals not used	(976)	(8,076)	(2,245)	(11,297)
At 31 December 2022	**9,661**	**16,681**	**49,330**	**75,672**
Non-current	9,661	4,832	44,795	59,288
Current	0	11,849	4,535	16,384
At 31 December 2022	**9,661**	**16,681**	**49,330**	**75,672**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

	Long-service awards	Disputes	Others	Total
at 1 January 2021	**11,441**	**13,764**	**10,653**	**35,858**
Changes in scope and other changes	255	47	1,388	1,690
Allocations	149	14,840	32,057	47,046
Reversals used	(713)	(6,502)	(5,683)	(12,899)
Reversals not used	0	(5,782)	(120)	(5,902)
At 31 December 2021	**11,132**	**16,367**	**38,293**	**65,792**
Non-current	11,132	4,075	34,331	49,538
Current		12,292	3,962	16,254
at 31 December 2021 (1)	**11,132**	**16,367**	**38,293**	**65,792**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

The provision for disputes covers, for the current portion of the income statement, the costs incurred from loss or damage occurring during transport, handling or storage services and for the non-current portion of the income statement, the consideration of risks arising from various disputes.

As a reminder, in 2021, the Group encountered uncertainty regarding the interpretation of the texts relating to the application of the French Domestic Tax on Final Electricity Consumption ("TICFE"). The Group believes that it should benefit from a reduced tax rate on its electricity consumption in France and filed a rescript on 30 August to this effect. The rescript was denied by the Customs Administration in mid-December 2021. As a result, the Group decided to make a provision of €21.9 million based on the period 2019-2021 in the "Other" item. The Group continues to dispute the Customs Administration's general stance to this day.

Note 23

Financial liabilities

Accounting policies

Financial liabilities include loans, financial debt and liabilities generated by operations (trade account payables and other). At the time of their initial recognition, they are valued at their fair value, net of transaction costs. In the case of operating liabilities, because their maturities are very short, their fair value equals their nominal value. Financial liabilities are subsequently amortised by the effective interest method.

At 31 December 2022, the Group had no combined instrument.

Derivatives are used by the Group to manage its exposure to the interest rate risk associated with its debt. These instruments are initially stated at fair value. Even where the Group's objective is to hedge a risk financially, some derivatives do not fulfil the conditions imposed by standard IFRS 9 to qualify as accounting hedges. In this case, subsequent changes in value are recorded in profit and loss.

Where a derivative could be qualified as a hedging instrument, the subsequent changes in fair value are accounted for as follows:

* where they are fair value hedges (exchange of fixed interest payments for floating interest payments), they are stated in profit and loss, under the same heading as adjustments in fair value of the hedged liability;

* where they are future cash flow hedges (exchange of floating interest payments for fixed interest payments), they are recorded in other comprehensive income, for the efficient portion of the hedge, and are subsequently transferred to the income statement when the interest rates being hedged are recognised. The inefficient portion is stated in profit and loss.

Change over the period

The detail of the current and non-current financial liabilities is comprised of the following classes of liabilities:

	31 December 2022	31 December 2021
Non-current financial liabilities		
Bank borrowings and drawdowns of confirmed credit lines of more than one year	511,672	369,449
Lease obligations	177,506	183,003
Fair value of financial derivatives	321	2,319
Total non current financial liabilities	**689,499**	**554,772**
Portion at less than one year of:		
* bank loans and spot lines of credit	163,109	53,078
* lease obligations	55,561	55,412
* other miscellaneous financial liabilities	3,097	3,770
* commercial papers	168,000	350,000
Fair value of financial derivatives	0	1,557
Bank overdrafts and short-term loans	81,018	18,436
Total current financial liabilities	**470,785**	**482,252**
Total financial liabilities	**1,160,284**	**1,037,024**
Net debt	**1,072,691**	**944,785**
Debt/equity ratio	**1,03**	**1,04**

The Group mainly used bank loans and issued commercial paper to finance its real estate investments.

The maturities of financial liabilities at 31 December 2022 and 31 December 2021 are shown below:

2022	Total	Less than one year	Maturities of more than one and less than five years	Over 5 years
Bank borrowings and drawdowns (including fair value of derivatives)	675,103	163,109	369,459	142,534
Lease obligations	233,067	55,561	52,641	124,865
Commercial papers	168,000	168,000		
Bank overdrafts	81,018	81,018		
Miscellaneous financial liabilities	3,097	3,097		
Total	**1,160,284**	**470,785**	**422,100**	**267,399**

2021	Total	Less than one year	Maturities of more than one and less than five years	Over 5 years
Bank borrowings and drawdowns (including fair value of derivatives)	426,403	54,634	260,900	110,868
Lease obligations	238,415	55,412	112,664	70,339
Commercial papers	350,000	350,000		
Bank overdrafts	18,436	18,436		
Miscellaneous financial liabilities	3,770	3,770		
Total	**1,037,024**	**482,252**	**373,564**	**181,207**

The Group's exposure to exchange rate, interest rate and liquidity risks due to its financial liabilities is analysed in note 25.

Changes in financial activities detailed by cash and non-cash flows appear below:

	Cash flows			Non-cash flows					
2022	**31 December 2021**	**New loans**	**Repayments**	**Changes in scope**	**Change in fair value**	**Impact of foreign exchange**	**New lease obligations (IFRS 16)**	**Reclassification and other changes***	**31 December 2022**
Bank loans and credit line drawdowns	422,527	304,349	(55,616)	1,807		1,715			674,782
Lease obligations (IFRS16)	238,415		(63,044)	8,087		(1,018)	55,521	(4,895)	233,066
Commercial paper	350,000		(182,000)						168,000
Miscellaneous financial liabilities & accrued interest	3,769		(1,169)			470		25	3,096
Bank overdrafts and short-term loans	18,436	62,394		185		3			81,018
Fair value of financial derivatives	3,876				(3,555)				321
Total	**1,037,024**	**366,743**	**(301,828)**	**10,079**	**(3,555)**	**1,171**	**55,521**	**(4,870)**	**1,160,284**

* Reclassifications and other changes include lease terminations.

	Cash flows			Non-cash flows					
2021	**31 December 2020**	**New loans**	**Repayments**	**Changes in scope**	**Change in fair value**	**Impact of foreign exchange**	**New lease obligations (IFRS 16)**	**Reclassification and other changes***	**31 December 2021**
Bank loans and credit line drawdowns	407,549	135,421	(121,798)	398		958			422,527
Lease obligations (IFRS16)	216,246		(62,172)	35,287		2,177	52,842	(5,965)	238,415
Commercial paper	277,000	73,000							350,000
Miscellaneous financial liabilities & accrued interest	3,739	78	(520)	8		465			3,769
Bank overdrafts and short-term loans	47,026		(28,595)			5			18,436
Fair value of financial derivatives	7,652				(3,776)				3,876
Total	**959,211**	**208,499**	**(213,086)**	**35,693**	**(3,776)**	**3,605**	**52,842**	**(5,965)**	**1,037,023**

* Reclassifications and other changes include lease terminations.

Note 24

Other current liabilities

Other current liabilities include the following elements:

	31 December 2022	31 December 2021 [1]
Advances and deposits received	19,541	17,352
Social debt	200,155	181,955
Tax debt	130,660	123,240
Deferred income	5,134	6,565
Current accounts in debit	(16)	39
Debt on asset acquisitions	10,211	1,300
Other liabilities	13,366	20,613
Total	**379,050**	**351,065**

1 - Restatement of the balance sheet for the 2021 financial year in application of the IFRS 3R standard (see note 2.2.2).

Note 25

Financial risk management

25.1

Credit risk

No customer accounts for more than 5% of the Group's turnover, which limits the risk that the bankruptcy of one customer could have a significant impact on the Group's financial position.
The Group has credit insurance covering it against the risk of bankruptcy of its customers, which is renewed on a regular basis.

Financial investments consist of senior securities and are negotiated with tier one banks.

The Group subscribes to OTC derivatives with tier one banks under agreements that provide for the offsetting of the amounts due and to be received in the event that one of the contracting parties defaults.

These conditional offsetting agreements do not comply with the criteria of the IAS 32 standard to allow the offsetting of derivative assets and liabilities on the balance sheet.

25.2

Interest rate risk

The structure of the financial debt by rate type, after taking account of the hedging instruments in place, is as follows:

	31 December 2022		31 December 2021	
	Fixed rate	Floating rate	Fixed rate	Floating rate
Bank loans	404,113	265,669	334,131	88,396
Commercial paper	0	168,000	0	350,000
Lease obligations	225,901	7,166	238,415	
Miscellaneous financial liabilities (inc. fair value of derivatives)	3,097	321	3,770	3,876
Bank overdrafts and short-term loans	0	86,018	0	18,436
Total financial liabilities net of hedges	**633,110**	**527,174**	**576,316**	**460,708**

The Group's objective in terms of interest rate risk management is to use micro-hedging as and when new real estate financing contracts are set up either by contracting directly at a fixed rate with lending institutions or by setting up swap contracts. This hedging policy by the Group should optimise the contracting of financial instruments to hedge the underlying liabilities, while improving its effectiveness and complying with accounting requirements in terms of hedge accounting.

In France, 10 swaps were active at 31 December 2022, totalling a hedged notional amount of €50 million. Interest rate swaps were contracted with regard to long-term financing in terms of duration and amortisable notional principal amount, *i.e.* between 9 and 15 years at the start.

In Italy, 2 interest rate swaps linked to financing the real estate assets in Mairano and Fidenza for a hedged notional amount of €41 million at 31 December 2022.

Analysis of interest rate risk sensitivity

A change of 50 basis points in the interest rates at the balance sheet date would have impacted equity and profit (before tax) up to the amounts shown below. For the purposes of this analysis, all other variables are assumed to be constant.

(-) Debit / (+) Credit	Impact on profit and loss		Impact on comprehensive income	
	Rise of 50 bps	Fall of 50 bps	Rise of 50 bps	Fall of 50 bps
Floating rate interest charges on assets/liabilities	2,634	(2,634)	0	0
Change in fair value of derivatives	0	0	984	(1,010)
Net impact	**2,634**	**(2,634)**	**984**	**(1,010)**

Balance sheet exposure to rate risk

At 31 December 2022	Current		Non-current	
	Fixed rate	Floating rate	Fixed rate	Floating rate
Financial liabilities*	97,883	372,902	443,954	245,224
Non-current financial assets* (note 14)	0	0	(40,963)	(10,225)
Cash and cash equivalents (note 19)	0	(87,593)	0	0
Net exposure before taking account of derivatives	**97,883**	**285,309**	**402,990**	**234,999**
Notional amounts of derivatives	21,163	(21,163)	70,111	(70,111)
Net exposure after taking account of derivatives	**119,046**	**264,146**	**473,101**	**164,888**

* Excluding market value of derivatives.

At 31 December 2021	Current		Non-current	
	Fixed rate	Floating rate	Fixed rate	Floating rate
Financial liabilities*	87,078	393,616	375,580	176,874
Non-current financial assets* (note 14)			(39,708)	(3,930)
Cash and cash equivalents (note 19)		(92,239)		
Net exposure before taking account of derivatives	**87,078**	**301,377**	**335,872**	**172,944**
Notional amounts of derivatives	22,384	(22,384)	91,274	(91,274)
Net exposure after taking account of derivatives	**109,462**	**278,993**	**427,146**	**81,670**

* Excluding market value of derivatives.

25.3
Exchange rate risk

Most of the flows outside the Eurozone concern Switzerland and the United Kingdom. In these scopes, the income and associated costs are mostly domestic and accounted for in local currency which limits the impact of a change in the exchange rate on the Group's results.

25.4
Liquidity risk

The Group's cash management is centralised which gives it control over all its subsidiaries' cash flows.

The Group's cash needs are mainly provided by credit lines at parent company level.

At 31 December 2022, STEF had 17 confirmed medium-term lines of credit totalling €320 million.
At 31 December 2022, up to €220 million had been drawn down.

Furthermore, the Group has a commercial paper programme of a maximum amount of €350 million. This paper is issued by STEF SA on maturities ranging from 1 day to 1 year. The outstanding amount of the programme at 31 December 2022 was €168 million.

The company STEF also has spot loans totalling €5 million fully used at 31 December 2022 and overdraft agreements, with no agreed expiry dates, totalling €150.3 million, including €81 million used at 31 December 2022. The current cash needs of the subsidiaries are provided mainly by the parent company through a European centralised cash management agreement.

Confirmed, unused credit lines and available overdrafts and spot loans, together with effective cash flow planning, ensure that the Group has excellent control of its liquidity risk.

Some lines and loans are supported by commitments from the Group, including compliance with financial ratios. The main ratios are as follows: EBITDA / Net financial expenses higher than 6 or 6.5 and Net Debt / Equity less than 2. At 31 December 2022, the Group met all commitments attached to the funding available to it.

25.5
Diesel risk

As a large consumer of diesel, STEF, which is exposed to changes in the price of this fuel, does not currently intend to purchase hedging instruments. Besides the impact of this expense, the Group prefers primarily to optimise purchases with dedicated buyers and implement measures to reduce consumption by vehicles.

25.6
Information on the fair value of financial instruments by category

	Balance sheet value 31 December 2022	Fair value through the income statement	Fair value through other comprehensive income	Financial instruments at amortised cost	Assets not qualified as financial
Unconsolidated equity instruments	1,810		1,810		
Other non-current financial assets (inc. fair value of derivatives)	13,826		3,262	10,564	
Loans and receivables from financial activities	33,415			33,415	
Marketable securities	2,137		2,137		
Sub-total: other non-current financial assets	**51,188**	**0**	**7,209**	**43,979**	**0**
Customers	734,869			734,869	
Other accounts receivable	169,181		2,201	166,980	
Cash and cash equivalents	87,593	87,593			
Assets	**1,042,832**	**87,593**	**9,410**	**945,829**	**0**

	Balance sheet value 31 December 2022	Fair value through the income statement	Fair value through other comprehensive income	Financial instruments at amortised cost	Liabilities not qualified as financial
Derivative financial liabilities	321		321		
Debts from financial activities	1,078,945			845,878	233,067
Current financial liabilities	81,018			81,018	
Sub-total: financial liabilities	**1,160,284**	**0**	**321**	**926,896**	**233,067**
Suppliers	636,233			636,233	
Other creditors	392,424			392,424	

Liabilities	**2,188,941**	**0**	**321**	**1,955,553**	**233,067**

	Balance sheet value 31 December 2021	Fair value through the income statement	Fair value through other comprehensive income	Financial instruments at amortised cost	Assets not qualified as financial
Unconsolidated equity instruments	1,782		1,782		
Other non-current financial assets (inc. fair value of derivatives)	6,456			6,456	
Loans and receivables from financial activities	33,071			33,071	
Marketable securities	2,329		2,329		
Sub-total: other non-current financial assets	**43,638**	**0**	**4,111**	**39,527**	**0**
Customers	612,962			612,962	
Other accounts receivable	142,206		1,901	140,305	
Cash and cash equivalents	92,239	92,239			
Assets	**891,046**	**92,239**	**6,012**	**792,794**	**0**

	Balance sheet value 31 December 2021	Fair value through the income statement	Fair value through other comprehensive income	Financial instruments at amortised cost	Liabilities not qualified as financial
Derivative financial liabilities	3,876		3,876		
Debts from financial activities	1,014,712			1,014,712	0
Current financial liabilities	18,436			18,436	
Sub-total: financial liabilities	**1,037,024**	**0**	**3,876**	**1,033,148**	**0**
Suppliers	557,551			557,551	
Other payables	355,744			355,744	
Liabilities	**1,950,318**	**0**	**3,876**	**1,946,442**	**0**

The financial assets and liabilities not covered within the scope of IFRS 9 mainly comprise debts concerning leases.

Hierarchy of fair values at 31 December 2022

Financial instruments at fair value are classified according to the following hierarchy levels:

- level 1: financial instruments which are listed on an active market;
- level 2: financial instruments whose evaluation requires the use of valuation techniques based on observable parameters;
- level 3: financial instruments whose evaluation requires the use of valuation techniques based in whole or in part on non-observable parameters.

	Level 1	Level 2	Level 3
Financial assets at fair value through other comprehensive income		3,947	
Other accounts receivable			
Derivatives		5,463	
Cash and cash equivalents	2,248	85,346	
Assets	**2,248**	**94,756**	**0**
Derivatives		321	
Liabilities	**0**	**321**	**0**

Derivatives portfolio at 31 December 2022	Fair value	ON assets	On liabilities	Ineffective portion recorded in Net Comprehensive Income for the period	Nominal hedged	Average maturity	Reference rate
Swaps	5,142	5,463	(321)	0	91,274	3 years	Euribor

Method for determining fair values

The fair value of interest rate swaps and options is based on quotes made by financial intermediaries. The Group ensures that these quotes are reasonable by valuing the swaps by discounting estimated future cash flows and the options using a valuation model (Black & Sholes type).

The fair value of "trade accounts payable" and "trade receivables" is equal to the book value on the balance sheet because the discounting of cash flows has a negligible impact given the short payment and settlement deadlines.

The fair value of floating rate debts is very nearly equal to the book value with close credit risk.

Note 26

Operations with related parties

Related parties with regard to STEF are associated companies, STEF's Directors and senior executives.
The shareholding structures of managers and senior executives are also in this position, as well as employee investment funds which, acting together, control 85.24% of the voting rights at the STEF Shareholders' Meeting.

26.1

Net remunerations and other benefits

The following net remunerations and other benefits were paid to Directors and senior executives, in euros:

	2022	2021
Salaries and wages	1,277,230	982,275
Directors' attendance fees	148,782	127,084
Total	**1,426,012**	**1,109,359**
Short-term benefits	1,426,012	1,109,359
Post-employment benefits	0	0
Long-term benefits	None	None
Retirement benefits	None	None
Share-based payments*	446,252	262,535

*Share of IFRS 2 expenses for the financial year for directors and senior executives.

The salaries and wages presented give the annual total of net remunerations and benefits paid to Directors and senior executives.

26.2 Associated companies

These are primarily the companies over which the Group has considerable influence, recognised using the equity method. Transactions with these related parties are carried out at market prices.
Over the 2022 financial year, the most significant transactions carried out by the Group, concerned the following companies:

	Balances at 31 December 2022				Transactions for the year	
	Customers	Suppliers	Long-term loans	Current account	Sales of goods and services	Purchases of goods and services
Primever	691	(2,537)	6,903	74	2,822	(23,730)
Messageries Laitières	4,326	(1)	0	6,324	34,595	(11)
QSL-STEF	15,462	0	0	(3,479)	60,403	0

In 2021, the most significant transactions involved the following companies:

	Balances at 31 December 2021				Transactions for the year	
	Customers	Suppliers	Long-term loans	Current account	Sales of goods and services	Purchases of goods and services
Primever	500	(1,126)	6,903	4,456	2,226	(17,685)
Messageries Laitières	3,936	0	0	4,939	30,307	(5)
QSL-STEF	9,174	(92)	0	0	49,409	(89)

Furthermore, there were no significant transactions in 2022 and 2021 between the Group and the shareholding structures of managers and senior executives and employee investment funds.

Note 27

Link between the cash flow statement and the notes to the financial statements

27.1

Connection between balance sheet changes and cash flow

				Cash flow statement item			
	Note	Opening	Non-cash change*	Changes in other items of the WC	Disbursed tax	Investment flow	Closure
Inventories and work in progress	16	86,229	1,084	39,034	0	0	126,347
Customers	17	612,962	19,248	102,659	0	0	734,869
Other receivables and current financial assets	18	138,752	3,725	20,747	0	4,523	167,746
Current tax assets		3,454	0	61,164	(63,184)	0	1,435
Total		**841,397**	**24,056**	**223,604**	**(63,184)**	**4,523**	**1,030,397**
Trade accounts payable		557,551	14,281	64,401	0	0	636,233
Other current liabilities (including fixed asset suppliers)	24	351,065	6,042	13,539	0	8,404	379,050
- including in the acquisition of tangible fixed assets (a)						8,404	
Current tax liabilities		5,960	0	59,159	(51,745)	0	13,374
Total		**914,575**	**20,323**	**137,099**	**(51,745)**	**8,404**	**1,028,657**
Impact on cash flow				**(86,506)**	**11,439**	**8,404**	
Tax on the income statement	12				(63,184)		
Cash used in acquiring intangible assets	13.1					(2,613)	
Cash used in acquiring tangible fixed assets (b)	13.2					(235,265)	
Cash flow statement total				**(86,506)**	**(51,745)**	**(229,474)**	
including cash used in acquiring tangible fixed assets (a) + (b)						(226,861)	

*The non-cash changes include in particular the effects of changes in scope, the effects of conversion and reclassification between accounts.

27.2

Details of depreciation and amortisation and provisions presented in the cash flow statement

	Note	2022
Disposals and impairment of goodwill	13.1	(568)
Amortisation and depreciation of intangible fixed assets	13.1	(3,204)
Amortisation and depreciation of tangible fixed assets	13.2	(193,085)
Net depreciation of reversals on non-current financial assets		(965)
Net depreciation of reversals on current assets		(3,653)
Net allocations to provisions		(9,857)
Total charges net of reversals		**(211,331)**

Note 28

Statutory auditors' fees

	Mazars				KPMG			
	Amounts		%		Amounts		%	
	2022	2021	2022	2021	2022	2021	2022	2021
Audit								
I) Statutory auditors, certification, review of individual and consolidated financial statements	1,223	1,045	94%	85%	854	857	100%	98%
a) Issuer	119	117	9%	10%	198	181	23%	21%
b) Fully consolidated subsidiaries	1,104	928	85%	76%	656	676	77%	78%
II) Services other than certification of the financial statements	80	180	6%	15%	3	14	0%	2%
a) Issuer	32	43	2%	3%	0	8	0%	1%
b) Fully consolidated subsidiaries	48	137	4%	11%	3	6	0%	1%
Total	**1,303**	**1,224**	**100%**	**100%**	**857**	**870**	**100%**	**100%**

Fees for statutory auditors from other firms amounted to €129 thousand for 2022 (€121 thousand in 2021).

Services other than certifying the financial statements (SACC) cover the SACC required by legal and regulatory texts as well as the SACC provided at the Group's request. They mainly relate to (i) the issuance of certificates concerning accounting and financial information or the report by the Independent Third Party Organisation on social, environmental and societal information pursuant to Article L. 225-102-1 of the French Commercial Code, (ii) the issuance of reports issued as part of capital transactions, (iii) the issuance of certificates for energy subsidies, and (iv) the updating of the SWIFT scope assessment.

Note 29

Off-balance sheet commitments

	2022	2021
Commitments received		
Financial commitments		0
Commitments related to operating activities	3,694	3,828
Commitments related to scope of consolidation	49,815	39,599
Unused available medium-term credit lines	100,000	120,000
Unused spot loans and bank overdrafts	69,282	145,864
Other commitments received		0
Total	**222,791**	**309,291**

	2022	2021
Commitments given		
Financial commitments	81	408
Commitments related to operating activities	88,876	53,636
Commitments related to scope of consolidation	0	0
Other commitments given	0	0
Total	**88,957**	**54,044**

Commitments related to operating activities mainly include firm orders for tangible fixed assets not yet executed which amounted to €82.1 million at 31 December 2022 (compared to €46.6 million at 31 December 2021).

Note 30

Contingent liabilities

As part of its normal activities, the Group may be a defendant in litigation and disputes. It recognises a provision each time an unfavourable outcome is considered likely to result in an outflow of resources of which the amount can be reliably estimated.

At 31 December 2022 as at 31 December 2021, there was no litigation or dispute likely to have a significant impact on the Group's financial situation and future results with the exception of the Corsica Ferries dispute presented below.

* As a reminder, in February 2018, Corsica Ferries called the group of companies SNCM (represented by its liquidators) and La Méridionale before the Commercial Court of Marseille. Corsica Ferries believes that the joint response of both companies to the call for tenders for the awarding of the public service concession for the 2014-2023 period (a concession now cancelled), was an anti-competitive practice, even though it was authorised by the specifications of this call for tenders.

* The Group believes that this legal action is not legitimate and is preparing a defence with the assistance of its lawyers. Several procedural hearings have taken place. In December 2019, the Judge of the Commercial Court of Marseille granted the application for suspension pending the decision of the administrative judge as part of the summons of the Corsican Authorities by Corsica Ferries. There has not been any significant progress in 2022.

Note 31

Events subsequent to year-end closing

Sale of La Méridionale

In 2023, the Group entered into exclusive negotiations for the disposal of its Maritime operating segment. The acquisition agreement relating to the transfer of 99.14% of the shares of La Méridionale and 100% of the shares of Sigma was signed between STEF and CMA CGM on 8 March 2023 and the transaction is expected to be completed by 30 September 2023 at the latest, subject to the approval of the relevant authorities.

Note 32

List of consolidated companies

In accordance with the rules shown in paragraph 2.1 above, the following companies are included in the consolidated financial statements:

Fully consolidated companies	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
Atlantique SA (Spain)	100%	100%
Bretagne Frigo	100%	100%
Entrepôts Frigorifiques de Nord et de l'Est (EFNE)	100%	100%
Entrepôts Frigorifiques du Sud-Ouest (EFSO)	100%	100%
FSD	100%	100%
GIE STEF Geodis	50%	50%
Institut des métiers du froid	100%	100%
SLD Aix-en-Provence	100%	100%
SNC STEF-TFE Services	100%	100%
Langdons Group (Royaume-Uni) and its subsidiaries:	100%	100%
STEF Langdons Ltd (United Kingdom)	100%	100%
Langdon Bridgwater Ltd (United Kingdom)	100%	100%
Chillnet Ltd (United Kingdom)	100%	100%
FerryLine Forwarding Ltd (United Kingdom)	100%	100%
Nagel Group Ltd (United Kingdom)	100%	100%
STEF Information et Technologies and its subsidiary:	100%	100%
STEF IT Portugal	100%	100%
STEF Logistics Courcelles (Belgium)	100%	100%
STEF Logistics Saintes (Belgium)	100%	100%
STEF Logistique Plouénan	100%	100%
STEF Suisse and its subsidiary	100%	100%
Frigosuisse	100%	0%
STEF Nederland (The Netherlands) and its subsidiaries	100%	100%
STEF Bodegraven BV	100%	100%
STEF International Raalte BV	100%	100%
STEF Eindhoven BV	100%	100%
STEF Raalte BV	100%	100%
SGN Paris Investissements and its subsidiary:	100%	100%
Cold Ré	100%	100%
IMMOSTEF and its subsidiaries:	100%	100%
Blue EnerFreeze and its subsidiaries:	100%	100%
Blue EnerFreeze Espana	100%	100%
Blue EnerFreeze Portugal	100%	100%
Blue EnerFreeze Belgique	100%	0%
Blue EnerSun	75%	75%

Fully consolidated companies	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
Entrepôts Frigorifiques de Normandie Loire (EFNL)	100%	100%
Frigaurice	100%	100%
GEFA	100%	100%
Immostef Italia S.r.l	100%	100%
Immostef Nederland	100%	100%
Immostef Suisse	100%	0%
SNC Loudéac Froid	100%	100%
Immostef Espana S.L.U and its subsidiary:	100%	100%
Friomerk S.A.U and its subsidiary:	100%	100%
Euromerk S.A.U	100%	100%
Immostef Portugal S.L.U	100%	100%
Immostef Belgique	100%	100%
Les Frigorifiques du Périgord	100%	100%
Normandie Souchet	100%	100%
SCI C2W2	100%	100%
SCI des Pins	100%	100%
SCI des Vallions	100%	100%
SCI Fresh 5	100%	100%
SCI Fresh 7	100%	100%
SCI Immo	100%	100%
SCI Immotrans 42	100%	100%
SNC Adour Cap-de-Gascogne	100%	100%
SNC Agen Champs-de-Lassalle	100%	100%
SNC Allonnes Entrepôts	100%	100%
SNC Atton Logistique	100%	100%
SNC Bondoufle La Haie Fleurie	100%	100%
SNC Brignais Charvolin	100%	100%
SNC Burnhaupt Les Mulhouse	100%	100%
SNC Carros La Manda	100%	100%
SNC Cavaillon Le Castanie	100%	100%
SNC Cergy Frais	100%	100%
SNC Cergy Froid	100%	100%
SNC de la Vesvroise	100%	100%
SNC Donzenac Entrepôts	100%	100%
SNC Donzenac La Maleyrie	100%	100%
SNC France Plateformes	100%	100%
SNC Gap Plan-de-Lardier	100%	100%
SNC Immotrans 49	100%	100%
SNC Immotrans 56	100%	100%
SNC Immotrans 69	100%	100%

Fully consolidated companies	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
SNC La Pointe-de-Pessac	100%	100%
SNC Le Mans Faraday	100%	100%
SNC Les Essarts Sainte-Florence	100%	100%
SNC Louverne Les Guicherons	100%	100%
SNC Mâcon Est Replonges	100%	100%
SNC Mions La Perrinnière	100%	100%
SNC Plan d'Orgon-sur-Durance	100%	100%
SNC Reims La Pompelle	100%	100%
SNC Saran Les Champs Rouges	100%	100%
SNC Strasbourg Pont de L'Europe	100%	100%
SNC Toussieu Chabroud	100%	100%
SNC Trangé Le Bois Chardon	100%	100%
SNC Valence Pont des Anglais	100%	100%
STEF Logistique and its subsidiaries:	**100%**	**100%**
DYAD	100%	100%
DYAD SOLUTIONS	100%	100%
STEF Logistique Canejean	100%	100%
KL Services (KLS)	100%	100%
STEF Logistique Aix-en-Provence	100%	100%
STEF Logistique Alsace	100%	100%
STEF Logistique Arnage	100%	100%
STEF Logistique Atton	100%	100%
STEF Logistique Aulnay-sous-Bois	100%	100%
STEF Logistique Aurice	100%	100%
STEF Logistique Bain-de-Bretagne	100%	100%
STEF Logistique Bondoufle	100%	100%
STEF Logistique Bourgogne	100%	100%
STEF Logistique Bretagne Nord	100%	100%
STEF Logistique Bretagne Sud	100%	100%
STEF Logistique Brignais	100%	100%
STEF Logistique Cergy	100%	100%
STEF Logistique Darvault	100%	100%
STEF Logistique Distribution Cergy	100%	100%
STEF Logistique Distribution Montsoult	100%	100%
STEF Logistique Distribution Vitry	100%	100%
STEF Logistique Fuveau	100%	100%
STEF Logistique Givors	100%	100%
STEF Logistique Isle-d'Abeau	100%	100%
STEF Logistique Le Plessis-Belleville	100%	100%
STEF Logistique Le Plessis-Paté	100%	100%

Fully consolidated companies	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
STEF Logistique Lesquin	100%	100%
STEF Logistique Lorraine Surgelés	100%	100%
STEF Logistique Méditerranée	100%	100%
STEF Logistique Midi-Pyrénées - Limousin	100%	100%
STEF Logistique Mions	100%	100%
STEF Logistique Montbartier	100%	100%
STEF Logistique Montsoult	100%	100%
STEF Logistique Moulins-les-Metz	100%	100%
STEF Logistique Nemours	100%	100%
STEF Logistique Niort	100%	100%
STEF Logistique Nord	100%	100%
STEF Logistique Normandie	100%	100%
STEF Logistique Pays-de-Loire	100%	100%
STEF Logistique St-Pierre-des-Corps	100%	100%
STEF Logistique Tigery	100%	100%
STEF Logistique Vendenheim	100%	100%
STEF Logistique Pessac	100%	100%
STEF Logistique Rhône - Alpes	100%	100%
STEF Logistique Rouen	100%	100%
STEF Logistique Saint-Dizier	100%	100%
STEF Logistique Saint-Sever	100%	100%
STEF Logistique Santé	100%	100%
STEF Logistique Sorgues	100%	100%
STEF Logistique Tours	100%	100%
STEF Logistique Toussieu	100%	100%
STEF Logistique Vénissieux	100%	100%
STEF Logistique Vitry	100%	100%
STEF Restauration France	100%	100%
STEF Transport Montsoult	100%	100%
STEF TSA	100%	100%
STEF TSA Orléans Nord	100%	100%
STEF TSA Rhône-Alpes	100%	100%
STEF Logistique Mâcon	100%	100%
STEF Logistique Lieusaint	100%	100%
STEF Logistique Rungis	100%	100%
STEF Logistique 3	100%	100%
Compagnie Méridionale de Participation (CMP) and its subsidiaries:	100%	100%
La Méridionale and its subsidiaries:	99%	99%
A.M.C	99%	99%
Cie Méridionale de Manutention (CMM)	99%	99%

Fully consolidated companies	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
SNC PIANA	0%	99%
Sigma	100%	100%
STEF Transport and its subsidiaries:	**100%**	**100%**
Dispack	100%	100%
Ebrex France and its subsidiary:	100%	100%
STEF Logistique Miramas	100%	100%
STEF Transport Lezignan Corbières	100%	100%
Immotrans 35	100%	100%
Logistique Frigorifique Bourguignonne	0%	100%
STEF Eurofrischfracht	100%	100%
STEF International Strasbourg	100%	100%
STEF International Paris	100%	100%
STEF International Ouest	100%	100%
STEF International Lyon	100%	100%
STEF International Bordeaux	100%	100%
STEF Logistique Caen	100%	100%
STEF Logistique Vannes	100%	100%
STEF Transport Agen	100%	100%
STEF Transport Alpes	100%	100%
STEF Transport Angers	100%	100%
STEF Transport Avignon	100%	100%
STEF Transport Bordeaux Bègles	100%	100%
STEF Transport Boulogne	100%	100%
STEF Transport Bourges	100%	100%
STEF Transport Brive	100%	100%
STEF Transport Caen	100%	100%
STEF Transport Cavaillon	100%	100%
STEF Transport Chaulnes	100%	100%
STEF Transport Clermont-Ferrand	100%	100%
STEF Transport Côte-d'Azur	100%	100%
STEF Transport Dijon	100%	100%
STEF Transport Epinal	100%	100%
STEF Transport Saint-Lô	100%	100%
STEF Transport Investissement	100%	100%
STEF Transport Landivisiau	100%	100%
STEF Transport Langres	100%	100%
STEF Transport Laval	100%	100%
STEF Transport Le Mans	100%	100%
STEF Transport Le Rheu	100%	100%
STEF Transport Lesquin	100%	100%

Fully consolidated companies	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
STEF Transport Lille	100%	100%
STEF Transport Limoges	100%	100%
STEF Transport Lorient	100%	100%
STEF Transport Lyon	100%	100%
STEF Transport Lyon Est	100%	100%
STEF Transport Mâcon	100%	100%
STEF Transport Marseille	100%	100%
STEF Transport Metz	100%	100%
STEF Transport Metz Nord	100%	100%
STEF Transport Montpellier	100%	100%
STEF Transport Mulhouse	100%	100%
STEF Transport Nantes Carquefou	100%	100%
STEF Transport Narbonne	100%	100%
STEF Transport Niort 1-La Crèche	100%	100%
STEF Transport Niort 2-La Crèche	100%	100%
STEF Transport Orléans	100%	100%
STEF Transport Paris Athis	100%	100%
STEF Transport Paris Distribution	100%	100%
STEF Transport Paris Plessis-Belleville	100%	100%
STEF Transport Paris Rungis	100%	100%
STEF Transport Paris Vitry	100%	100%
STEF Transport Pilotage France	100%	100%
STEF Transport Plan-d'Orgon	100%	100%
STEF Transport Quimper	100%	100%
STEF Transport Reims	100%	100%
STEF Transport Rennes	100%	100%
STEF Transport Châteaubourg	100%	100%
STEF Transport Rethel	100%	100%
STEF Transport Rouen	100%	100%
STEF Transport Saint-Amand	100%	100%
STEF Transport Saint-Brieuc	100%	100%
STEF Transport Saintes (Belgique)	100%	100%
STEF Transport Saint-Sever	100%	100%
STEF Transport Seafood Lyon	100%	100%
STEF Transport Sens	100%	100%
STEF Transport Strasbourg	100%	100%
STEF Transport Tarbes	100%	100%
STEF Transport Toulouse	100%	100%
STEF Transport Tours	100%	100%
STEF Transport Valence	100%	100%

Fully consolidated companies	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
STEF Transport Nazareth	100%	100%
STEF Transport Ifs	100%	100%
STEF Transport Rennes Est	100%	100%
STEF Transport Vannes	100%	100%
STEF Transport Velaines	100%	100%
STEF Transport Vendée	100%	100%
STEF Transport Vire	100%	100%
Stefover	100%	100%
TFE International Ltd (United Kingdom)	100%	100%
Tradimar Bordeaux	100%	100%
Transport Frigorifique Normandie	100%	100%
Transports Frigorifiques des Alpes (TFA)	100%	100%
SCI Fonciex	100%	100%
STEF International	100%	100%
STEF Overseas	100%	100%
Transports Frigorifiques Spadis and its subsidiary:	100%	100%
STEF Transport St-Etienne	100%	100%
STEF Italia Holding S.r.l and its subsidiaries:	**100%**	**100%**
STEF Logistics Italia S.r.l	100%	100%
STEF Italia SpA and its subsidiaries:	100%	100%
CDL S.r.l	51%	51%
STEF International Italia S.l.r	0%	100%
STEF Nogalore S.r.l	0%	100%
STEF Frozen and its subsidiaries	100%	100%
SVAT HOLDING INTERMEDIA and its subsidiaries:	**100%**	**0%**
SVAT DEUTSCHLAND	70%	0%
SVAT HUNGARY	100%	0%
SVAT SPA	100%	0%
STEF Iberia and its subsidiaries:	**100%**	**100%**
Logirest S.L.U	100%	100%
STEF Los Olivos S.A.U	100%	100%
Iberfroid	100%	100%
STEF Portugal-Logistica E Transporte LDA	100%	100%
STEF Olot Distribucion and its subsidiaries	100%	100%
Transport Temperatura Controlada	100%	0%
TTC Logistica Frigorifica	100%	0%

Equity-accounted associates	Percentage of control	
Company STEF-SA (Parent)	31 December 2022	31 December 2021
Shareholdings of STEF Transport:		
Froidcombi	25%	25%
Messageries Laitières	39%	39%
Groupe Prim@ever	40%	40%
Olano Seafood Iberica	32%	32%
Normandie Export Logistics	39%	39%
Shareholdings of STEF Logistique:		
QSL - STEF	49%	49%
Shareholdings of IMMOSTEF:		
Norfrigo	38%	38%
SCCV Innovespace Corbas	0%	25%
SCCV Parc Dijon Champollion	49%	49%
SCCV SILSA	49%	49%
SCCV NOBEL	49%	49%
Shareholdings of STEF Iberia:		
Olano Valencia (Spain)	40%	40%
Shareholdings of STEF Italia SpA:		
Med'Sealog	40%	40%
Shareholdings of STEF Frozen:		
SVAT Group*		49%

*Intermedia SRL (SVAT Italy Group) is fully consolidated at the end of 2022.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Financial year ended on 31 December 2022

At STEF's General Shareholders' Meeting,

Opinion

In accordance with the assignment entrusted to us by your Shareholders' Meeting, we have audited the consolidated financial statements for the Company STEF for the year ended 31 December 2022, as attached to this report.

In our opinion, the consolidated financial statements give a true and fair view of the results of the Group's operations for the past year and of its financial position and assets and liabilities at the end of the financial year, in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis of the opinion

Audit terms of reference

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under these standards are set out in the "Responsibilities of statutory auditors relating to the audit of the consolidated financial statements" section of this report.

Independence

We completed our audit in accordance with the applicable independence rules as set out in the French Commercial Code and the profession's Code of Ethics for auditors, for the period from 1 January 2022 to the publication date of our report and we have not provided services prohibited by Article 5, Paragraph 1 of Regulation (EU) No. 537/2014.

Justification of assessments – Key points of the audit

Pursuant to the provisions of Articles L. 823 -9 and R. 823 -7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional opinion, were most important for the audit of the consolidated financial statements for the financial year as well as our responses to these risks. The assessments were performed as part of our audit of the consolidated financial statements taken as a whole and the expression of the aforementioned opinion. We do not give an opinion on the elements of these consolidated financial statements taken in isolation.

Valuation of the recoverable value of fixed assets (including goodwill)

Risk description

At 31 December 2022, the fixed assets were comprised of the following elements:

* goodwill (€295 million);
* other intangible fixed assets (€14 million);
* tangible fixed assets including the right of use under leases (€1,806 million) relating in particular to platforms and warehouses, transportation equipment and vessels.

The Group regularly analyses whether its intangible and tangible fixed assets are subject to the indications of impairment described in note 13.4, and where necessary, performs impairment tests.

The Group also performs an annual impairment test on goodwill and other intangible assets with indefinite useful lives after allocation to cash generating units (CGUs). The recoverable value of a CGU is the highest value between its value in use and its fair value minus costs to sell. The value in use of a CGU is determined using the discounted cash flow method. This method requires significant judgements by management, particularly when preparing forecasts and choosing long-term discount and growth rates.

As an exception, for the Maritime CGU, the recoverable amount of the CGU was assessed based on the disposal terms of the acquisition agreement between STEF and CMA-CGM on 8 March 2023.

In this context, we considered the valuation of the recoverable value of the fixed assets (including goodwill) as a key point of the audit, given the importance of these assets on the balance sheet and the high reliance on management's judgement involved in this valuation, particularly on the preparation of forecasts and the determination of the long-term discount and growth rates used.

Our response to the risk

Our work firstly consisted in reviewing the reasonableness of the impairment indicators used by the Group and assessing the extent of the tests performed during the financial year.

For the tests designed to determine the value in use of the CGU, our work involved:

* checking the completeness of the elements comprising the book value of the tested CGUs and the consistency of these elements with the way in which the cash-flow projections have been determined for calculating the value in use;
* assessing the consistency of the cash-flow projections with the latest management estimates as presented to the Board of Directors as part of the budgetary processes;
* assessing, with the help of our evaluation specialists, the consistency and reasonableness of the assumptions made compared to the sector's economic data, particularly with regards the growth rates and discount rates (WACC);
* analysing the appropriateness of the financial information provided in note 13.4 to the consolidated financial statements, especially the sensitivity of the recoverable value of goodwill and tangible and intangible assets to a variation in the main assumptions;
* in the specific case of the Maritime CGU, we examined the terms and conditions of the sale resulting from the acquisition agreement entered into on 8 March 2023 between the Company and the CMA-CGM group and made sure that they did not call into question the book value of the CGU;
* assessing the appropriateness of the financial information given in note 13.4 to the consolidated financial statements.

Specific verifications

In accordance with the professional standards applicable in France, we also performed the specific verifications regarding the information about the Group contained in the Board of Directors' management report as set out in the laws and regulations.

We have no comment to make as to the fair presentation of this information or its consistency with the consolidated financial statements.

We confirm that the consolidated declaration of extra-financial performance provided for by Article L.225-102-1 of the French Commercial Code appears in the financial information contained in the Group management report, on the understanding that, pursuant to the provisions of Article L.823-10 of this Code, we have not verified the information contained in this declaration in terms of its truthfulness or consistency with the consolidated financial statements and it must be subject to a report by an independent third party organisation.

Other verifications or information provided for by the legal and regulatory texts

Presentation format of the consolidated financial statements intended to be included in the annual financial report

In accordance with the professional standards on the auditors' procedures for annual and consolidated financial statements presented using the European single electronic reporting format, we have also verified compliance with this format defined by the Commission Delegated Regulation 2019/815 of 17 December 2018 in the presentation of the consolidated financial statements intended to be included in the annual financial report as referred to in paragraph 1 of Article L.451-1-2 of the French Monetary and Financial Code, drawn up under the responsibility of the Chairman and Chief Executive Officer. With regard to consolidated financial statements, our procedures include checking that the tagging of these financial statements complies with the format set out by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report comply, in all material aspects with the European single electronic reporting format.

Due to technical limitations associated with the macro-tagging of the consolidated financial statements in accordance with the Single European Electronic Reporting Format, the content of some of the tags in the notes may not be rendered in a manner identical to the consolidated financial statements attached to this report.

In addition, we are not responsible for checking that the consolidated financial statements that are actually included by your Company in the annual financial report filed with the French financial markets authority (AMF) match those we have based our work on.

Appointment of the statutory auditors

We were appointed as statutory auditors for the Company STEF by the General Shareholders' Meeting of 22 June 1994 for KPMG S.A. and that of 18 December 1997 for Mazars.

At 31 December 2022, KPMG S.A. has been a statutory auditor for 28 years continuously and Mazars for 25 years, with both firms engaged for 24 years since the company's securities were listed for trading on a regulated market.

Responsibilities of the management and corporate governance officers relating to the consolidated financial statements

It is management's responsibility to prepare consolidated financial statements presenting a true and fair view in accordance with the International Financial Reporting Standards as adopted by the European Union and to implement the internal control that it believes necessary for the consolidated financial statements to be free of material misstatement, whether due to fraud or errors.

When preparing the consolidated financial statements, it is management's responsibility to evaluate the Company's ability to continue as a going concern and, where appropriate, to present the necessary information on business continuity in these financial statements and to apply the accounting standard for a going concern, unless there are plans to liquidate the Company or cease its activity.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems, and where appropriate, the internal audit with regards to the procedures for the preparation and treatment of accounting and financial information.

These consolidated financial statements have been approved by the Board of Directors.

Responsibilities of the statutory auditors' relating to the consolidated financial statements

Audit objective and procedure

We are responsible for preparing a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements, taken as a whole, are free of material misstatement. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit performed in accordance with professional standards can automatically detect any material misstatement. Misstatements can arise from error or fraud and are considered as material when it can reasonably be expected that they might, taken individually or cumulatively, influence the economic decisions made by users of the financial statements based on them.

As set out in Article L.823-10-1 of the French Commercial Code, our certification of the financial statements does not guarantee the viability or quality of the management of your Company.

As part of an audit conducted in accordance with the professional standards applicable in France, the Auditor uses his professional judgement throughout this audit. Furthermore:

- the auditor identifies and assesses the risks that the consolidated financial statements contain material misstatements, whether due to fraud or errors, defines and implements audit procedures for such risks and gathers evidence judged sufficient and appropriate to provide a basis for his opinion. There is a greater risk of not detecting a material misstatement from fraud than a material misstatement resulting from an error because fraud can mean collusion, falsification, deliberate omissions, misrepresentations or circumvention of internal control;

- the auditor obtains an understanding of the internal control relevant to the audit in order to define appropriate audit procedures under the circumstances and not with the aim of expressing an opinion on the effectiveness of the internal control;

- the auditor assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information concerning them provided in the consolidated financial statements;

- the auditor assesses the appropriateness of management's application of the accounting standard for a going concern and, depending on the evidence collected, the existence or not of a material uncertainty related to the events or circumstances likely to challenge the company's ability to continue as a going concern. This assessment is based on the evidence collected up to the date of the Auditor's report, remembering that subsequent circumstances or events could challenge business continuity. If the auditor concludes as to the existence of a material uncertainty, they draw the attention of the report's readers to the information provided in the consolidated financial statements that is subject to this uncertainty or, if such information is not provided or not relevant, the auditor formulates a certification with reservations or refuses to certify;

- the auditor assesses the presentation of all the consolidated financial statements and evaluates whether the consolidated financial statements reflect the underlying operations and events so as to give a true view;

- in terms of the financial information about people or entities included in the scope of consolidation, the auditor collects the evidence judged sufficient and appropriate for expressing an opinion on the consolidated financial statements. The auditor is responsible for managing, supervising and producing the audit of the consolidated financial statements and the opinion expressed on these financial statements.

Report to the Audit Committee

We produce a report for the Audit Committee that presents the extent of the audit, the work programme implemented and the resulting conclusions. We also point out, where appropriate, significant weaknesses in the internal control that we have identified with regards the procedures relating to the preparation and processing of accounting and financial information.

The report to the Audit Committee includes the risk of material misstatements that we judge to have been most important for the audit of the consolidated financial statements for the financial year and which consequently form the key points of the audit, which we must describe in this report.

We also provide the Audit Committee with the declaration stipulated in Article 6 of Regulation (EU) no. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in Articles L.822-10 to L.822-14 of the French Commercial Code and in the profession's Code of Ethics for auditors. Where appropriate, we discuss the risks to our independence and the safeguards applied with the Audit Committee.

The Statutory Auditors

Paris La Défense, 5 April 2023

KPMG S.A.

Jérémie Lerondeau
Associate

Cédric Maucourt
Associate

Courbevoie, 5 April 2023

MAZARS

Anne-Laure Rousselou
Associate

RESULTS OF THE PARENT COMPANY – STEF SA

The Company STEF, solely a holding company, comprises the Group functional divisions and owns all buildings, machinery and equipment leased to the Group's operational companies. Turnover, comprising revenue from leases and services provided within the Group, amounted to €18.2 million, compared to €17.8 million in 2021. Income attributable to third parties, reversals of impairment and other income accounted for €66.9 million compared to €57.8 million euros for 2021. This mainly comprises Group expenses billed to the Group's subsidiaries.

Financial income of €61.1 million in 2022 compared to €31.5 in 2021 mainly comprised revenue from shareholdings amounting to €33.1 million and reversals of provisions and impairment for €20.1 million.

Exceptional items amounted to €1.1 million, compared to €0.3 million in 2021.

In 2022, the Company posted a tax expense of €4.6 million (STEF is the parent of the tax group), compared to a savings of €5.1 million last year. Due to the principle of offsetting between the different net profits (losses) of the Group's companies, this expense is subject to the tax consolidation system provided for by Article 223 A of the French Tax Code.

The parent company posted a net profit of €34.8 million compared to €34.3 million in 2021.

Proposed appropriation:

Net profit for the year ____ €34,796,919

Retained earnings ____ €77,678,858

Giving a total amount available for distribution of _________________ €112,475,777

Which shall be appropriated as follows:

Payment of a dividend of €4.00 per share,

which is a total theoretical dividend payment of ___________________€52,000,000

which is the balance allocated to retained earnings of ______________ €60,475,777

decides, therefore, to pay a dividend of 4.00 euros per share and to allocate the balance to the retained earnings account.

If the Company holds certain treasury shares when the dividends are paid, the sum corresponding to the amount of the dividend not paid under these shares will be credited to the retained earnings account.

The dividend will be paid out on Friday, 5 May 2023.

Dividends paid out in respect of the past three financial years

Financial year	Number of shares	Dividend paid per share (a)
2019	13,000,000	0.00
2020	13,000,000	4.00 (b)
2021	13,000,000	3.00

(a) Payment fully eligible for 40% tax allowance.

(b) Broken down as follows: payment of an interim dividend for the 2020 financial year of €1.50, followed by a balance of €2.50 in 2021 subsequent to the Shareholders' Meeting.

In accordance with Article 223d of the French Tax Code, there were no overhead expenses giving rise to add-back to taxable profit under Article 39-5 of the French Tax Code. Furthermore, the Company recorded a charge of €134,371 under Article 39-4 of the same code (charge relating to non-deductible amortisation for company vehicles).

The table of STEF's net profit for the last five financial years is shown in the notes to the individual company financial statements.

Regulated agreements

Previous agreements were reviewed by the Board of Directors in accordance with the law.

Research and development

Innovative projects primarily concern the Group's sustainable development policy (alternative fuel for vehicles, systems to reduce energy consumption for operating the platforms [see "Environment" section] and the developments of the Group's information and management systems).

The Group did not select any specific projects in terms of the research tax credit for 2022 since the expenses incurred for this item were not significant.

Schedule of invoices received and issued

The "Outstanding invoices received and issued at the end of the financial year which are overdue" table appears in the notes to this document.

APPENDIX 1

Outstanding invoices received and issued at the end of the financial year which are overdue (table stipulated in Section I of Article D. 441-4).

	Article D.441 I.-1: outstanding invoices received at the closing date of the financial year which are overdue						Article D.441 I.-1: outstanding invoices issued at the closing date of the financial year which are overdue					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
A) Late payments												
Number of invoices concerned	22					300	2					34
Total amount of invoices concerned including taxes	€200,340	€333,575	€380,832	€548,833	€213,610	€1,476,849	€70,810	€0	€333,854	€0	€144,423	€428,278
Percentage of the total purchase amount including tax for the financial year	0.33%	0.55%	0.63%	0.91%	0.35%	2.45%						
Percentage of turnover including tax for the financial year							0.05%	0.00%	0.23%	0.00%	0.10%	0.33%
(B) Invoices excluded from (A) relating to disputed accounts payable and receivable or not reported												
Number of excluded invoices												
Total amount of excluded invoices												
(C) Reference payment terms used (contractual or legal deadlines – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Payment terms used for the calculation of late payments	☐ Contractual deadlines ☒ Legal deadlines						☐ Contractual deadlines ☒ Legal deadlines					

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