Well-built for well-being

Consolis Annual Report 2022

CONSOLIS

Well-built for well-being

Welcome to Consolis, a European leader in precast concrete solutions for the building and utilities sector.

We provide architects, construction companies and community builders with smart, sustainable, and highly engineered precast elements, enabling them to create beautiful homes, offices, universities, hospitals, stadiums, shopping centers, airports and infrastructure that will serve local communities for centuries to come.

Well-built for well-being; that is our purpose. We believe in responsible industry leadership, and we are committed to taking the lead in the sustainable transformation of our industry. With deeds – not just words.

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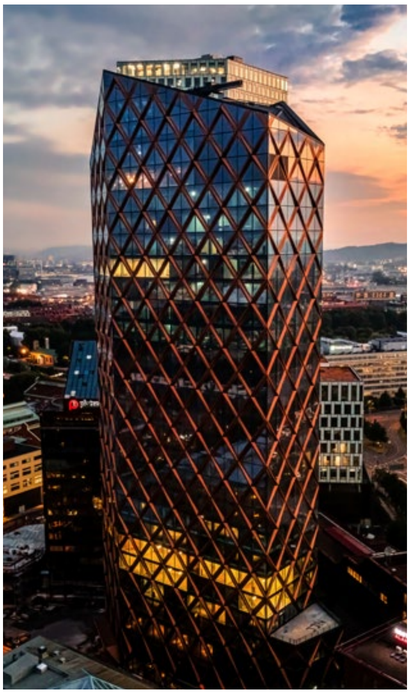

Business environment and strategy

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Sustainability

Financial report

This is Consolis

Consolis today

In 2022, Consolis' net sales amounted to EUR 1,295 million, an EBITDA margin of 5.9 percent and free cash flow of EUR 31.7 million.

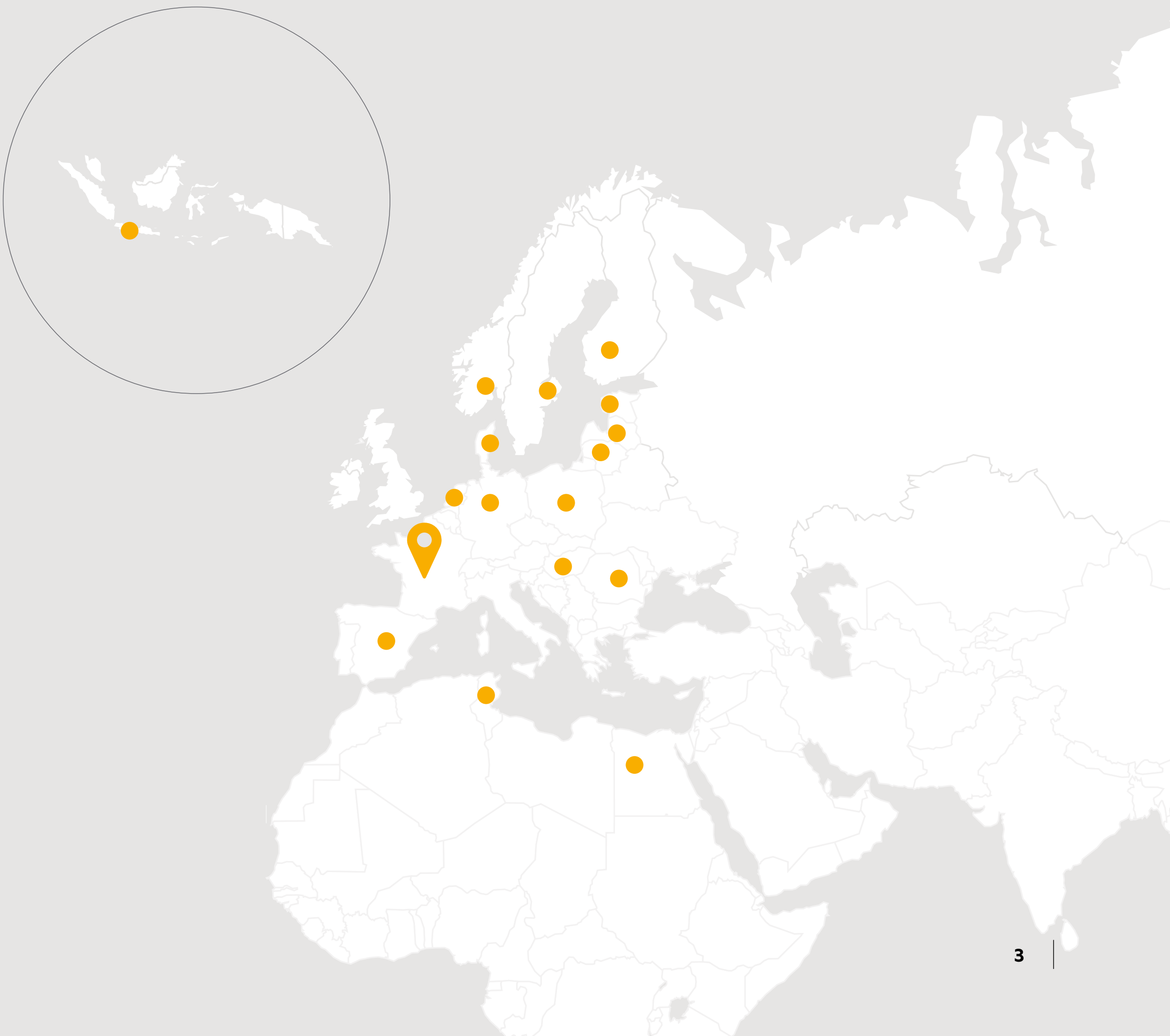
As a building materials company, Consolis' products help to construct new homes for people, new schools, hospitals, and are used in construction for transportation and utilities. Our focus is within the new building construction end-market, including new residential and new non-residential construction.

We operate in 17 countries where we deliver smart precast concrete building elements with a long-life and reconfigurable design. Making more out of less, we contribute to a reduced CO_2 footprint and a more sustainable world. And we always do this in close and transparent collaboration with customers, suppliers, partners and colleagues.

1,295
Net sales (million €)

75.9
Adjusted EBITDA

64%
Cash conversion



A Consolis made stronger by the challenges we've faced

In the midst of global financial turmoil, Consolis has shown great resilience. It has been a demanding year in many respects, and we could have chosen to bide our time. Instead, we acted, and I am proud to say that we have come out on the other side a stronger, better and more sustainable company.

The beginning of 2022 saw geopolitical and economic developments that would impact Consolis, our customers, and the world at large. War broke out in Ukraine, inflation returned with a vengeance, and we experienced large cost increases on raw materials and energy.

Resilience in turbulent times

Consolis faced a number of tough challenges this year. With the eruption of the war in Ukraine, our supply chain was severely disrupted. Throughout the year we have focused on rebuilding it, working hard to find new suppliers and deliver on our orders. It was at times difficult, but we enter 2023 with a broader base of suppliers, making Consolis better equipped to handle further geopolitical instability.

Another way in which we have strengthened our resilience is by moving away from fixed prices. While fixed prices have long been the norm in our industry, it becomes problematic when prices fluctuate as much as they did in 2022. Working closely with our customers to introduce variable pricing has allowed us to safeguard our margins, today and for tomorrow.

> "Throughout the year we have focused on rebuilding our supply chain, working hard to find new suppliers and deliver on our orders."

We were of course not immune to the disruptive events of 2022, and we enter 2023 with a smaller backlog than last year. But it is a backlog that contains a lot less risk, safer margins, and a broad base of suppliers eager to deliver.

Taking the lead in low-carbon concrete as a competitive advantage

This year has been a year of transition for the entire industry, a year of staying afloat. Therefore, I am immensely proud that we, amid this turbulence, managed to launch the Consolis Green Spine Line® – our low-emissions product line. To help reduce the industry's climate impact is important in itself, but it is also turning out to be a major competitive advantage. Product roll-out across our core markets has been successful and we are now selling low CO_2 products in Finland, Denmark, Sweden, the Netherlands and Spain. We continue to see a strong and increasing appetite for these products as they enable our customers to reach their own ambitious CO_2 reduction targets. Our Green Spine Line® also delivers higher than average margins, which we believe is good evidence of a willingness among our customers to pay for competence in material technology.

More than 436,000 tons of Green Spine Line®-certified products were sold in 2022, representing approximately 9 percent of our produced volume. This also means a 12,000 ton reduction in CO_2 emissions compared with regular precast concrete – and even more if the alternative would have been cast in situ solutions.

While low-carbon solutions are a way forward for

> “Personally, I am looking forward to a year where we can see the full effects of a more resilient and sustainable Consolis.”

us and the entire industry, it is by no means our end goal. Carbon-neutral concrete is within our reach, and at Consolis we are working hard to develop scalable solutions that can benefit our customers and the environment in the years to come.

Entering 2023 with confidence

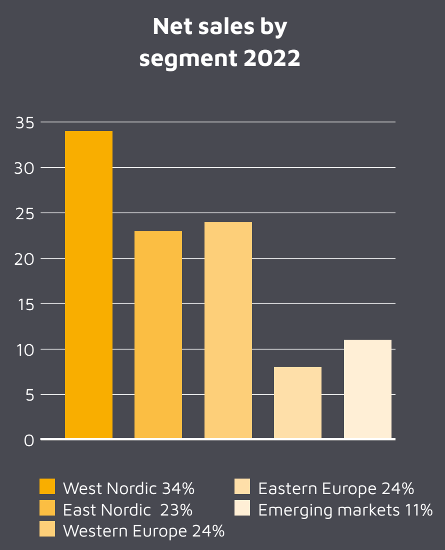
Order intake slowed in the latter part of 2022, but we see tendering activity remaining high across markets. This is especially true in the non-residential segment which represents 70 percent of our order backlog. Structurally, we also see a long-term demand for residential housing in our major markets.

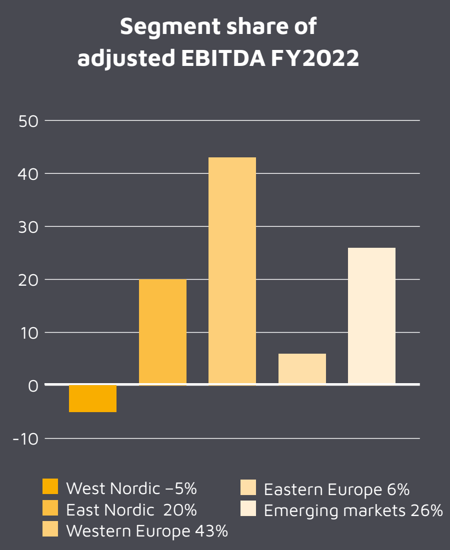
Short-term, we are preparing for a market environment with lower business activity by reducing our cost base throughout the Group. Longer-term, Consolis is ready to capitalize on attractive precast industry tailwinds, pent-up housing demand, and a growing need for sustainable construction.

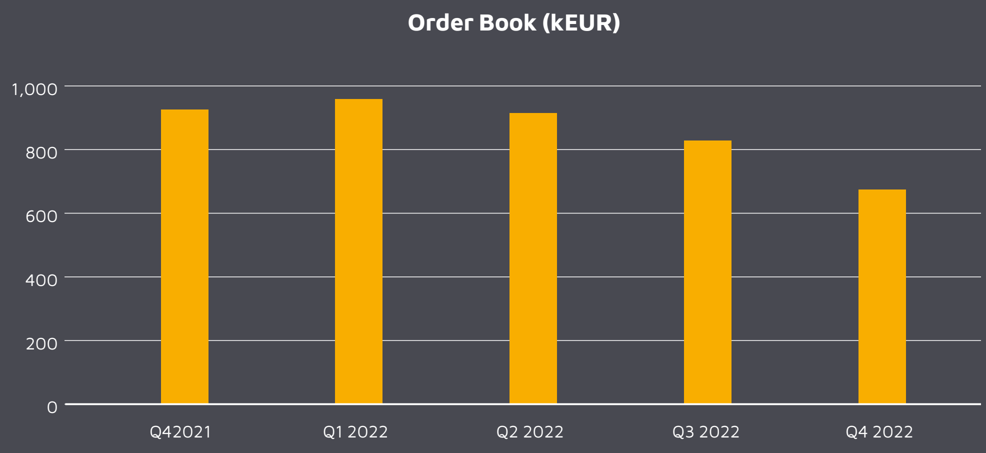
Personally, I am looking forward to a year where we can see the full effects of a more resilient and sustainable Consolis. In 2022, a lot of our time and energy was spent reacting to the world around us. If we can put all that energy into proactively developing our products and our customer relationships, 2023 will turn out to be a very exciting year.

Mikael Stöhr, CEO Consolis

The year in brief







Highlights

Market launch of the Consolis Green Spine Line®
The Green Spine Line® is our line of certified and more sustainable precast products that help our customers make a real difference on their journey towards net-zero emissions. There is strong customer interest in the Green Spine Line®, and the products also have an above-average margin profile. More than 436,000 tons of Green Spine Line®-certified products were sold in 2022, representing approximately 9 percent of our produced volume. This also means a 12,000 ton reduction in CO_2 emissions compared to regular precast concrete.

Green Spine Line® in 2022

9%
of Consolis total produced volume

436,000
tons of certified low CO_2 products

12,000
tons of carbon dioxide direct savings

R&D together with our tech partners
We have continued to invest in research and development, often in collaboration with various climate tech partners. Our primary focus is on materials technology and research into the next generation of low-carbon concrete.

Sale of Civil Works France
The sale of Civil Works France was completed on January 31, 2022. This transaction marks an important milestone on the path to a new Consolis – a building materials group focused on its core construction business and a market-leading position in Europe. We see significant growth opportunities for our solutions on all markets.

Additional financing secured
On July 21, 2022, Consolis entered into a new term loan facility in a principal amount of EUR 30 million with certain unaffiliated third-party lenders, securing additional liquidity headroom for the Group.

West Nordic turnaround
Improved business conditions and pricing towards the end of the year, as well as cost reduction measures, accelerated the recovery of margins in West Nordic, while other markets were already better able to offset inflationary pressures throughout the year.

The world we operate in

Last year we experienced geopolitical developments that were hard to foresee. The invasion of Ukraine, the global rise in inflation, and the scarcity of many essential raw materials have all had severe consequences on the world and the global economy. Alongside these disruptive events, several global megatrends and specific industry trends affected Consolis' operations.

Consolis' products are the spine of homes, schools, hospitals, sports stadiums, and many other types of buildings across our 17 local markets. Our products are also important building blocks in infrastructure projects, not least within the utilities sector. As we operate on markets across the globe, we are of course affected by the world around us. Here are some of the events and trends that shaped this year, and how we faced them to create an even stronger Consolis.

The war in Ukraine

The invasion of Ukraine plunged Europe into war. This is first and foremost a human tragedy on a massive scale, but it has also had a huge impact on the world economy. Consolis has not been directly affected by the war, in the sense that we don't have production or clients in Russia nor Ukraine. However, our supply chains were disturbed in several ways. Steel, plywood, and plastics were, for example, all previously bought from either Russia or Ukraine. In 2022, we had to find many new suppliers and rebuild our supply chains. While the situation has had tangible consequences for our day-to-day operations, it has also given us a valuable opportunity to consider and strengthen the resilience of our supply chains.

The return of inflation

2022 saw a sharp rise in global inflation, reaching levels that in many parts of the world have not been seen for decades. This challenging situation has affected companies, governments, and individuals alike, and Consolis is no exception. We have seen steady cost increases for raw materials, often substantially higher than the underlying inflation rate. A doubling of steel prices is one example among many, rising energy prices another. Moreover, we operate in a sector where fixed prices have long been the norm. This affects our margins and with cost increases across the board, Consolis has decided to introduce variable pricing models on our local markets. This makes us much more adapted to an inflationary business environment.

Shortage of raw materials

General inflation is not the only reason why prices on many raw materials are surging. There is a global raw materials shortage, caused by both the ongoing war in Ukraine and other macro-economic factors. Securing the materials and the components we need required huge internal resources in 2022. However, we have established new supplier relationships and, in many ways, we enter 2023 with even stronger and more resilient supply chains.

Sustainability becomes business critical

In the coming years, no company will be able to escape its responsibility to become more sustainable. Regulatory demands will increase, and clients and end consumers will increasingly choose the sustainable option. At Consolis, we welcome this development. And from a business perspective, we are counting on it. In 2022, we joined the Science Based Targets initiative (SBTi) and are now working on the second step of the process, which entails developing emissions reduction targets in line with SBTi's net zero criteria. And with our Green Spine Line®, we develop and certify more sustainable products on the market. Read more about Green Spine Line® on page 44.

The need for speed

There is an ever-increasing need for speed in the building sector. For property developers, a shorter build time equals a faster completion – and thereby more revenue. With higher interest rates, this becomes even more important. As a European market leader in precast concrete solutions, Consolis stands to gain when our clients want to build faster, but without compromising on quality and safety.

Surpassing 8 billion global citizens

In 2022, the world population grew past another milestone as it surpassed 8 billion people. At the same time, urbanization is increasing. According to the UN, Europe's level of urbanization will reach 83.7 percent by the year 2050. As people move closer together, the demand for new, smarter buildings and building processes increases. Precast solutions will play an important part in this development. By providing first-class design, production, and easy-to-assemble concrete elements, Consolis enables its customers to build smarter and better buildings for the cities of tomorrow.

A strategy for a sustainable future

To fulfill our strategic ambitions, we are constantly focusing on our four pillars: Customer, Team, Local and Climate.

Team

Consolis' success is built by people. We house the best leaders and experts, invest in our employees, and provide opportunities for individuals and teams to grow. When our people thrive, our business will flourish. We believe that strong values and motivated employees drive long-term success.

Force team of the month
In 2022, Consolis initiated the Force Team of the Month activity as a way to highlight the efforts made by our teams across our local markets. Every month, a team that works in alignment with our strategy and our aim to be a force in our industry is awarded the title. This is also a way to spread best practices throughout the organization.

Customer

With a customer-centric mindset, and a deep understanding of customer needs and urban planning, Consolis builds stronger relationships and best-in-class customer satisfaction. We believe our customers benefit from the collective competence of our 17 local markets – and from our ability to significantly reduce our customers' environmental footprint.

In the past two years, Consolis has been strategically restructured to focus on our core business – a building materials company that provides precast concrete solutions to the building and utilities sectors. In these market segments Consolis is a strong leader, and simply put, our strategy is to keep growing on our 17 markets by being best in class. Being best-in-class means that we always strive to produce and deliver the best precast concrete products on the planet, both in terms of product quality and service delivery. Furthermore, we are going to move the entire industry towards a more sustainable future by substantially lowering the CO_2 emissions caused by our operations. We believe that there is a future where concrete is a climate neutral material, and we intend to reach it.

Climate

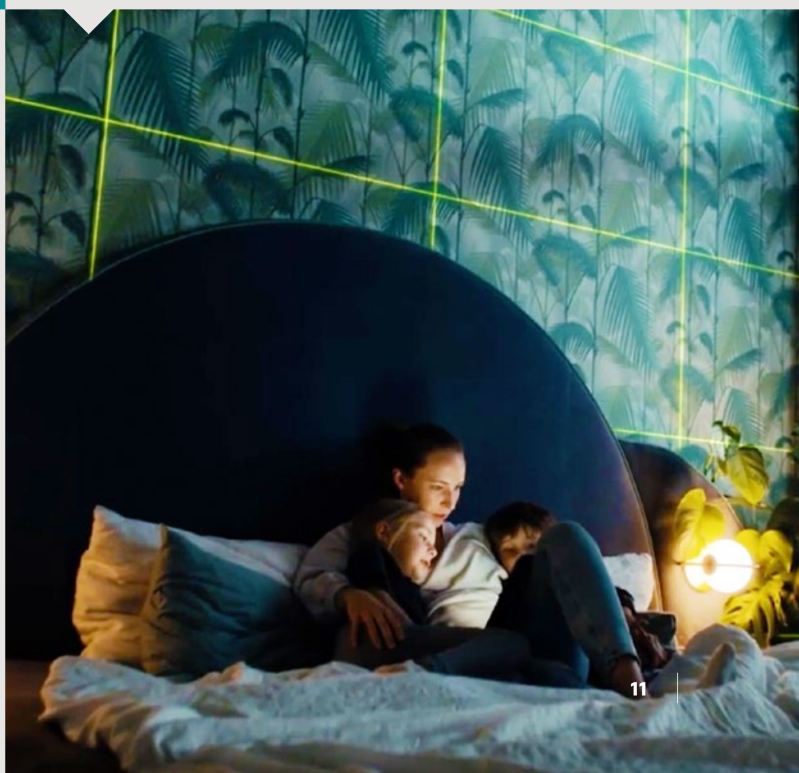
We are making the construction industry's environmental challenges our core business. Consolis actively seeks out partnerships to find new ways of minimizing our environmental impact, and we have established industry-leading ambitions for reducing the CO_2 emissions of our products and operations. At Consolis, we believe that concrete can and will become climate neutral.

Consolis joins SBTi

In 2022, Consolis joined the Science Based Targets initiative, the world's first framework for corporate net-zero target setting in line with climate science. We are now working on the second step of the SBTi process, which entails developing emissions reduction targets in accordance with SBTi's net zero criteria.

Local

Our motto for doing business is: For locals, by locals. By knowing our communities, we understand how design, trade, manufacturing, and assembly should work to add value in each local market. And by using our strength as a Group, we can ensure that our broad knowledge and expertise deliver added value to our local communities.



Our business model

Consolis designs, produces, and assembles prefabricated concrete solutions for our customers within the residential, non-residential, and infrastructure sectors. Our precast concrete solutions are versatile, efficient, and have a lower environmental impact than traditional cast in-situ solutions.

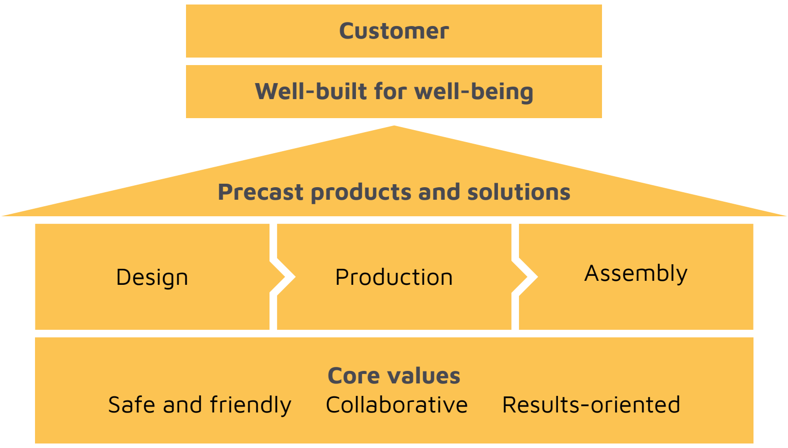
As a Group, Consolis has the opportunity to optimize processes in each country and, in addition, scale the effects of R&D, enhance safety, and strengthen our business development across all markets. In addition, Consolis is driving the sustainable transformation of the concrete industry by testing and launching new methods and products, all designed to help our customers solve their environmental challenges. The results of these efforts are offered to our customers through the group-wide Green Spine Line® of certified products.

Our design process

Quality, safety, sustainability, and customer satisfaction depend on an excellent design process. By being involved early on in the building process and by working closely together with our customers, we can leverage our design capabilities and optimize the factory design. This allows the customer to take full advantage of precast elements, and enjoy higher efficiency, good quality and efficient assembly. By utilizing 3D models and technical expertise, we can provide customers with a smoother process and cater to their individual needs. To provide the best possible design capabilities in accordance with local regulations and manufacturing capabilities, Consolis has local design offices in each market and operates specialized design centers in Estonia, Poland and Romania.

Our production

Production in a controlled industrial environment enables a more precise process with high efficiency, better quality, increased safety, and optimized use of raw materials compared to non-precast solutions. And with



Support functions
Safety, CODE, R&D, IT, Procurement, CES

Consolis strategy
CUSTOMER, LOCAL, TEAM, CLIMATE

operations and production in each local market, we are able to tailor our production towards local needs and demand. At Consolis, we leverage our size by spreading best practices across our local markets. This gives our customers the safety of knowing that everything produced in Consolis' production sites meets high standards with regards to quality, safety and environmental sustainability. Most of the supplies for production are sourced locally and to leverage our purchasing power, the Group coordinates purchasing activities whenever possible to achieve greater efficiency, high quality and lower environmental impact. By offering production in close proximity to the customers we serve, we can also contribute to our customers' efforts to reduce their environmental impact from logistics and transportation.

Assembly service
With our assembly service, Consolis supports our customers in the final step, the assembly of the previously designed and produced elements into a standing structure. This enables customers to benefit from Consolis' expertise in the resource efficient and speedy assembly of the manufactured precast elements. This service also assures our customers that the purchased products are professionally installed in accordance with local regulations.

Project management
Combining our design, production and assembly processes with strong and local project management capabilities allows Consolis to support our customers even further. The project manager is the customer's point of contact, which reduces administration and helps secure customer satisfaction throughout the delivery.

Central functions and processes
Consolis has several central functions and processes that add value and support our customers locally. By pooling and sharing our knowledge of safety procedures, lean manufacturing, advanced design technology, R&D, sustainability, and procurement, Consolis is well positioned to help companies, communities and cities build societies that will evolve and improve for centuries to come.

The CODE program

The CODE program aims to continuously improve efficiency, quality, profitability and safety by developing leaders and employees. CODE stands for Consolis Operational & Design Excellence, and is built on lean principles. The program is available to the entire Group and adds value to all functions. It includes training for managers and employees in the areas of leadership, process development, standardization, structured problem solving, and planning. Resource and capacity management is also part of the program. The CODE principles have primarily been applied to the manufacturing function for continuous development and improvement.

A new take on R&D

To help the construction industry solve its environmental challenges and to accelerate the digital transformation, Consolis organizes its R&D as a test bed – an innovation lab for stakeholders developing new technical solutions that increase industrialization and significantly reduce the environmental impact of concrete. By collaborating with cutting-edge European companies, the innovation lab allows us to simultaneously test, support, evaluate and scale different technologies to accelerate the development of sustainable and competitive products and solutions.

Five benefits of precast solutions

They are safe

Our products are produced in a controlled industrial environment, which means that safety provisions can be designed into the entire production process. It also means that the amount of more hazardous on-site construction work is reduced.

They are more sustainable

The controlled production environment and short production time make it possible to optimize the use of raw materials, increase circularity, minimize waste and reduce energy consumption. The Consolis Green Spine Line® contains our most sustainable products. Read more about our certified product line on page 44.

The production process promotes quality

A controlled industrial environment also enables quality control in every stage of the production process. Moreover, it allows us to use better materials that improve the quality of the building while at the same time increasing its durability. Elimination of on-site weather factors and subcontractor delays are other factors that contribute to higher overall quality.

They require a smaller labor force on site

Skilled construction site labor is scarce. Precast concrete product solutions shorten the build time of any project, thus reducing both the labor costs and the risk of delays caused by a lack of skilled labor.

They are efficient and predictable

The precast construction process is predictable, fast, and provides good cost control. This allows for efficient and just-in-time project logistics. It is also possible to integrate electrical, communications and mechanical systems into precast elements before they arrive on site, saving time, energy, waste and overall costs on site.


FRISTADS
FRISTADS

Case
Complete parking garage solution in the port of Helsinki

In Finland, Consolis has extensive experience in delivering parking solutions. Finnish customer YIT, entrusted the Consolis team with a complete precast frame project - design, manufacture, transport and assembly of the elements for this centrally located parking garage. The delivery and assembly of the elements required detailed time management due to the busy location. Today, 730 parking spaces are available to motorists, in a parking solution that is part of the larger Royal Center complex in Helsinki's busy West Harbor.

"In the construction of such a large parking garage in a busy urban environment, logistics plays a major role and the reliability of the partners is emphasized in order to minimize environmental, occupational safety, schedule and quality risks. We relied on Consolis Parma's ability to meet this challenge and perform its part in an exemplary manner." says unit manager, Petri Saarinen, YIT Suomi Oy.

Case
MVM Dome Budapest, Hungary

The products of Consolis and its subsidiaries are found in over 40 arenas and stadiums, contributing to joy and communities all over Europe.

The MVM Dome in Budapest, Hungary, is Europe's largest handball arena, and the seventh largest indoor sports arena in Europe, with a capacity of 20,000 seated spectators. The MVM Dome hosted the European Men's Handball Championship 2022.

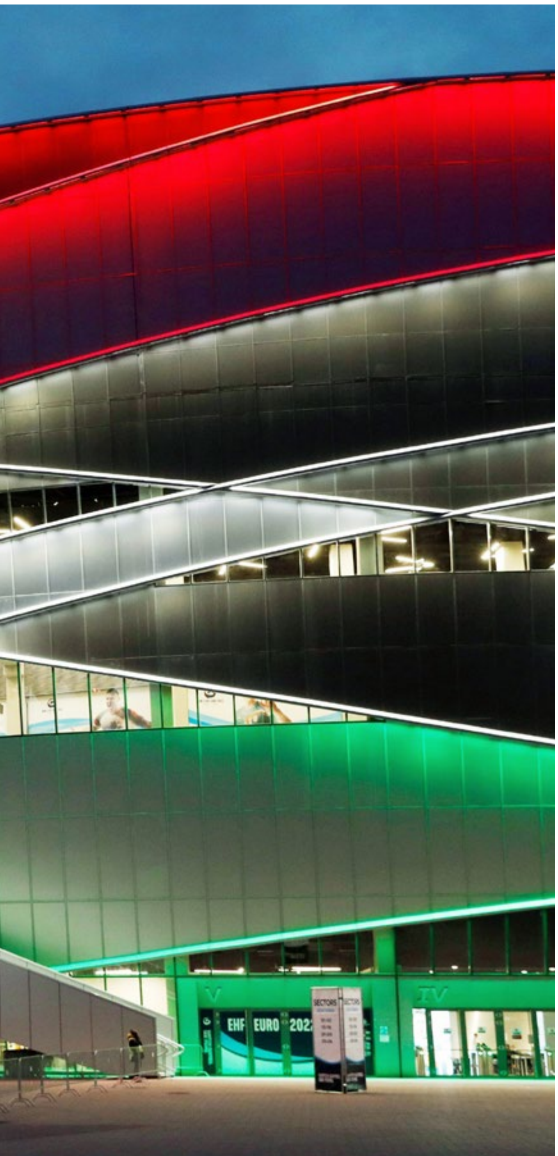
Consolis in Hungary delivered the full scope of design, production, and assembly to this very complex project with over 10,000 different precast elements. Thanks to the flexibility of the precast product design, and the skilled Hungarian team, the tight deadline was met and the opening ceremony of the championships could take place according to plan.

Case
Lighthouse
Aarhus, Denmark

We are proud to have been part of bringing life and movement to the beautiful new area on the waterfront in Aarhus, Denmark. The 142 meter "Lighthouse" is Denmark's tallest residential building. The tall tower, together with the side buildings Kanalhuset and Promenadehuset, offer a total of 400 homes.

Consolis delivered massive slabs, hollow cores, columns, beams, and walls to the project. Thanks to early involvement in the project and good collaboration with the customer the Danish team could advise on suitable solutions.

"With a project of this size and complexity, it was necessary to create the project digitally before we started working on the site. Working with Spæncom to create the digital building model resulted in an efficient work process with good communication and coordination of interfaces and joints, and possible errors were eliminated before assembly began," says Henrik Fejfer, senior project manager, Per Aarsleff A/S



Case
Industrial building
Tortosa, Cataluña, Spain

The efficiency of the Consolis precast production of concrete elements truly came into practice for an industrial building project in Spain. Owner Kronospan and Consolis customer Carbonell Figueras, Industrial and Logistics, had a very short timeframe for the full construction. Thanks to a design solution to facilitate the assembly and excellent coordination whereby several companies were involved, the Consolis team managed to assemble this giant project in four months, instead of the expected six months. The success of this project has led to more orders from the same customer.

"Excellent. It is worth mentioning the professionalism of Consolis Tecnyconta's technical team, both in the design phase of the precast structure, as well as in the execution phase, always adapting to the client's requirements and to the complexity of the organization of a project this size," says Xavier Costa, project manager, Carbonell Figueras, Industrial and Logistics.

Building sustainable societies one precast element at a time

Consolis provides smart, more sustainable, and highly engineered precast concrete solutions to the building, construction, and utilities sectors. We collaborate closely with architects, construction companies, and community builders to develop residential buildings, non-residential buildings, and other infrastructure that will serve communities for generations to come.

We lean on strong execution skills and a century of building experience. Consolis' business offer varies across our 17 local markets, and depends on the preference of our customers, from delivering single precast elements to taking on full-scope building projects that include assembly.

The solutions we offer
Our solutions include precast hollow core slabs, facades, walls, roof beams, structural beams, columns, and stairs – all the fundamental sections that together create the spinal frame of a building. We also manufacture other custom-made concrete elements designed in close cooperation with our customers. In 2022, we introduced our Green Spine Line®, providing products optimized to be the best option for reducing our customers' environmental footprint. These products offer at least 15 percent lower CO_2 emissions compared to relevant local precast industry standards. Today, the Green Spine Line® includes hollow cores, walls, columns, and beams. In 2023, more products are expected to be developed and certified across our markets.

Design, production, and assembly – our basic services
We design our solutions for durability, resource optimization, and sustainability – and take the production and

The buildings we develop

Precast concrete construction has several advantages over traditional cast in-situ solutions as well as compared to most other building materials. Consolis designs, produces, and assembles elements for a wide range of buildings, all with their specific prerequisites. We divide our structural systems into two application areas: residential buildings and non-residential buildings.

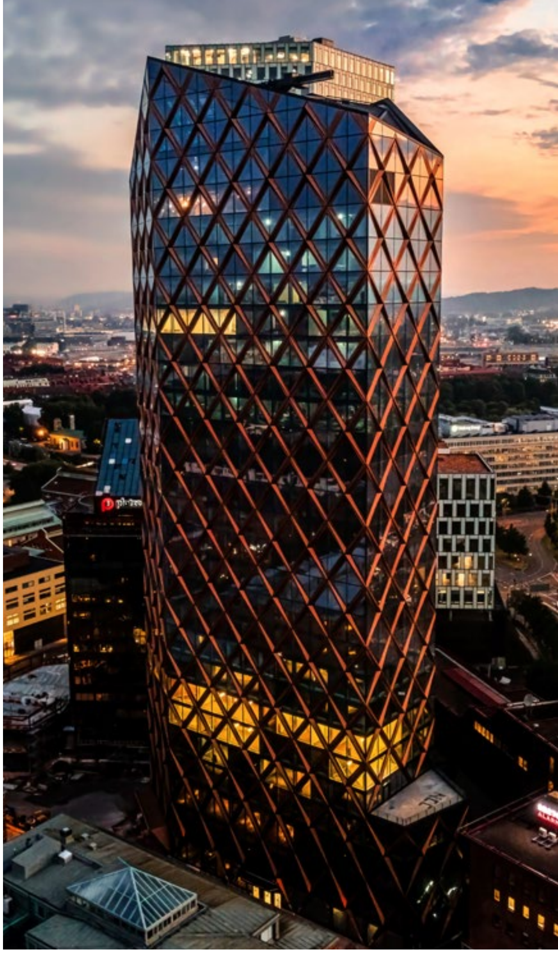
Residential buildings
Precast concrete elements offer very attractive qualities for residential buildings. In terms of fire resistance, acoustic insulation, flexibility in layout, durability, and maintenance, precast concrete is a superior choice. Moreover, precast elements make for a fast project execution, which is becoming increasingly important to customers everywhere. Consolis has a long experience of delivering residential buildings.

Haga Nova residential building
Situated in Hagastaden ner Stockholm, Sweden. Delivered in 2017.

assembly into account from the very beginning. Our goal is to deliver the best precast concrete solutions on the planet, and we recognize that our 17 local markets each cater to different customer needs. Being best in class therefore includes being able to differentiate and design our products according to the needs of each market. That is why Consolis is organized with design offices in each local market and with supporting specialized design centers in Estonia, Poland, and Romania. We believe that the unique mix of local and specialized design expertise is very efficient when it comes to meeting the expectations of customers and society. Many of our customers also take advantage of our service offering. This could, for example, mean partnering to design custom structural elements or unique facades. Consolis can also help assemble the elements onsite as we in some markets can take on whole conracts or parts of construction contracts by partnering with other construction companies or builders. This way, customers can make use of our century-long expertise in the resource-efficient, fast, and safe handling and assembly of manufactured precast elements.

Non-residential buildings
The use of precast concrete elements brings speed, safety, cost-efficiency, and sustainability to any architectural vision. To enhance the building process, we have created building systems and concepts that enable our customers to have a smoother construction process. This is complemented by the Consolis Green Spine Line®, which enables customers to further reduce the environmental footprint of a building project. We provide precast solutions for a range of non-residential buildings. Learn more on the following pages.

Oodi, Helsinki Central Library
Inaugurated in 2018.



Logistics centers
There are standard as well as tailored solutions for logistics centers. The strength of precast concrete elements, combined with specific design features, allows for flexible and open floor plans and wall solutions that can be easily adapted to the needs of any business. A fast construction phase also brings economic benefits, such as the fact that interior finishing can begin sooner.

Logistic centre for Inbisa
in the Nave Getafe area.

Sports and entertainment arenas
Coping with crowd logistics and dynamic loads requires a high degree of flexibility in structural design, which precast concrete elements handle well. Arenas and entertainment centers often require complex design solutions. With a focus on technology and quality, Consolis precast arenas offer architects and general contractors room for creativity with maximum flexibility of use and design.

MVM Dome
Budapest, Hungary

Office buildings
Several requirements are placed on modern office buildings, one of which is flexibility, as many office buildings must be adaptable to future functions. Large spans with few interior columns and walls allow for easily changeable floor plans, which are made possible by the use of Consolis precast solutions.

Kineum
(Left) A high-rise office building in Gothenburg, Sweden.

Parking garages
Precast parking garages and parking structures are often the preferred choice for architects and developers, thanks to the superior speed of construction and the attractive life cycle costs. Consolis offers standard solutions with excellent parking ratio, layout flexibility and different architectural options such as inlays and many different textures and colorings.

Parking garage Akademiska sjukhuset
(Above) Located by the Uppsala University Hospital in Sweden.

Public buildings
Schools, hospitals, elderly care homes, and kindergartens all require good energy efficiency, ventilation, hygiene, and acoustics. Consolis' building system for all types of social care buildings is well suited for the high demands placed on these buildings. Minimal cold bridges, good U-values, and high airtightness not only contribute to efficient energy performance, but also ensure that the strict hygiene requirements of the buildings are being met.

The Aeres Hogeschool
Located in Almere in the Netherlands.

Our Markets

By knowing our communities, we have a natural understanding of what works in that particular part of the world. We understand the needs of our customers, and the needs of all the people who are going to use the workplaces, schools and homes we help create. Our operations are often located in smaller communities and by employing 8,000 experts in 17 countries, we contribute to keeping these areas flourishing.

West Nordic

“A mixed year with major progress in the development of low-carbon products”

Stefan Ohlsson
Managing Director,
Sweden

“A downturn in the market, but with great development in our sustainability work”

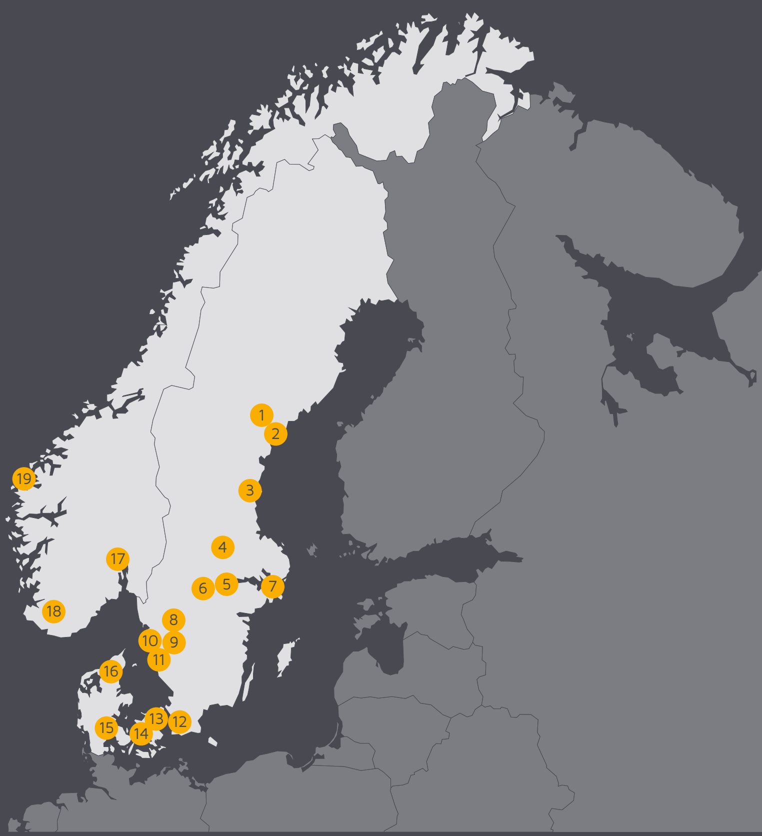
Magnus Ström
Managing Director,
Denmark & Norway

Locations in West Nordic

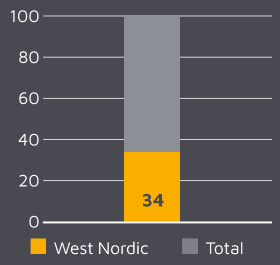
Sweden
1 Långviksmon
2 Örnsköldsvik
3 Hudiksvall
4 Norberg
5 Kungsör
6 Örebro
7 Stockholm
8 Herrljunga
9 Borås
10 Göteborg
11 Veddige
12 Malmö

Denmark
13 Hedehusene
14 Vemmelev
15 Kolding
16 Aalborg

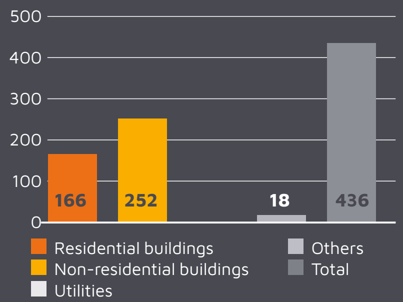
Norway
17 Hönefoss
18 Skurve
19 Hjörungavåg



Segment share of net sales, %



Income by significant revenue streams, million euros



Number of employees (FTE)

1,826

West Nordic

The year in brief

The year started with high activity, but the Russian invasion of Ukraine had considerable consequences for the West Nordic market. In the second half of the year the market slowed down even further due to rising inflation, surging materials costs, and high interest rates. Efforts to improve commercial terms and thus mitigate cost increases continued to be successful at the end of the year. Pricing measures combined with a restructuring program have resulted in positive margins.
The West Nordic market enters 2023 with a significantly lower backlog compared to last year, but with stronger commercial terms.

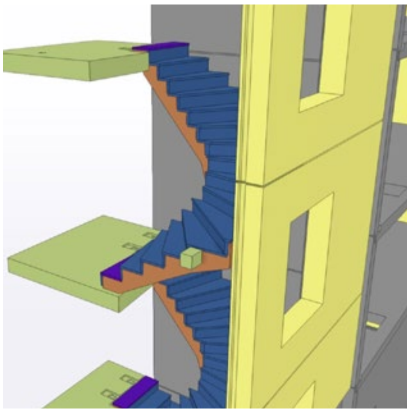
Sustainability

The demand for products with lower CO_2 emissions is on the rise in the West Nordic market. In 2022, we endeavored to meet this requirement in various ways. Here are some of the steps we took in 2022.

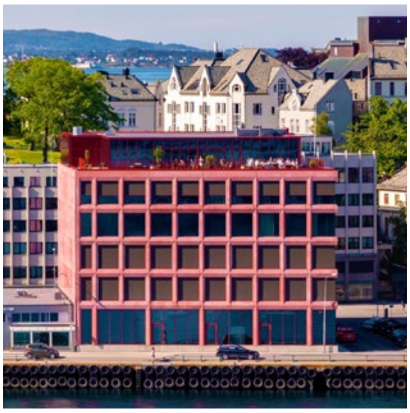
- In Sweden and Denmark, the Green Spine Line® products were launched, with the hollow core slabs being the most popular. Product development is ongoing to lower the carbon emissions from other products, both by adapting the concrete mix and by reducing the use of reinforcements.
- Sweden is participating in the ReCreate project which aims to reduce the amount of waste, natural resource extraction, and carbon emissions in the construction industry. In a pilot project, a pavilion was built with reused hollow core slabs. In this Swedish pilot, the municipal housing company Helsingborgshem,Royal Institute of Technology and Consolis Strängbetong were partners.
- Denmark has focused on reducing gas and electricity due to high energy prices. The use of secondary cementitious materials has also been prioritized in the production of new concrete mixes.
- Several product development initiatives are underway in Norway to replace the cement component with other secondary cementitious materials. Improvements were made at two factories, which increased the quality and productivity of the batching and mixing stations.
- In Sweden, the permit was extended for another four years so that mining of limestone, the raw material for cement, can continue.

Highlights of the year

Launch of the Green Spine Line®
Consolis was the first company in the Swedish market to launch products in accordance with the new Swedish concrete industry standard. The first Green Spine Line® products were hollow cores and inner walls that reduce the CO_2 emissions by 19% and 26% compared to industry standards. By the end of the year, Denmark too had launched a Green Spine Line® hollow core slab – with a 31% lower carbon footprint.



Increased design efficiency
To increase the efficiency of stair design a configurator for parametric design was developed and implemented. The configurator integrates the calculation process (for load and size) and the production design process of stairs in one 3D tool. A multi-step process involving several employees is now a one-click task, and any changes requested by the customer can be easily made in the configurator. After the successful launch, there are plans to develop similar configurators for other products.



Awards in Norway
The Pir building in the city center of Ålesund was designed, produced, and assembled by Consolis, and was awarded Betongtavlen, the Norwegian concrete industry's annual award, in 2022. Pir was a challenging project due to the geometrical complexity of the shape and design of the facade elements. Quality, precision, and accuracy were crucial throughout the process – from design to assembly.

Market offer

Products
Hollow cores, structural elements, stairs, walls, and facades.

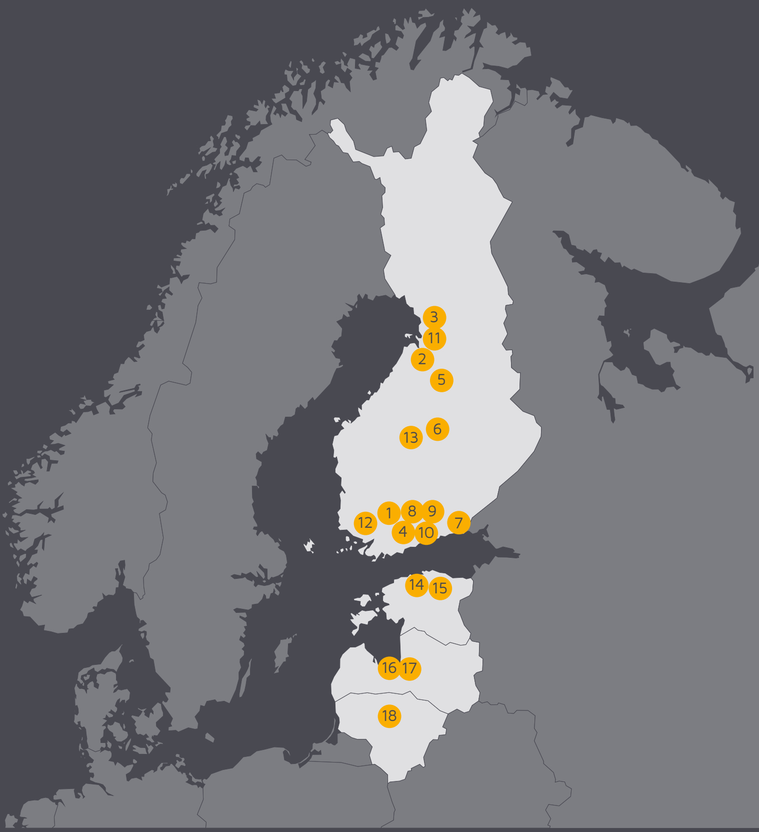
Services
Design, production and assembly.

Types of buildings
Non-residential buildings including offices, industrial and logistic structures, and residential buildings.

East Nordic

"Solid performance in a very turbulent year"

Hannu Tuukkala
Managing Director,
East Nordic



Factory locations East Nordic

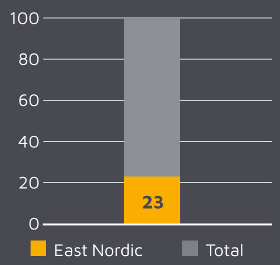
Finland
1 Forssa
2 Haapavesi
3 Haukipudas
4 Hyrylä
5 Iisalmi
6 Kangasala
7 Kotka
8 Nastola
9 Nummela
10 Nurmijärvi
11 Oulu/Korvenkylä
12 Rusko
13 Uurainen

Estonia
14 Harku
15 Tamsalu

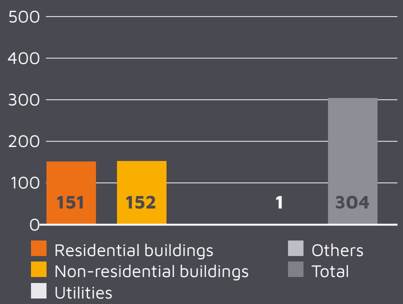
Latvia
16 Rumbula
17 Salaspils

Lithuania
18 Trakai

Segment share of net sales, %



Income by significant revenue streams, million euros



Number of employees (FTE)

1,207

East Nordic

The year in brief

2022 was a difficult year in many respects. The invasion of Ukraine, rising inflation, and a shortage of many raw materials are some of the challenges that faced our operations throughout the year. In the last quarter of 2022, we also saw a downturn in the market that we expect will endure into 2023. Still, we managed to deliver higher-than-expected net sales, and our revenue grew by 30 percent compared to 2021. We are proud of this result as it shows that our products and services are highly relevant, regardless of the market climate.

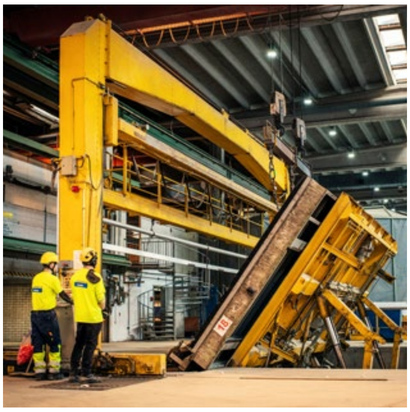
Sustainability

Our customers in the region are increasingly looking for products with lower CO_2 emissions. More sustainable products have been high on our agenda for several years and we are aiming to be the driver of the sustainable transformation of the industry. Here are some of the important steps we took during 2022:

- In order to reduce our dependence on cement, we want to find new secondary cementitious materials. That's why we have entered into a collaboration with Betolar, a materials technology company, to test low-carbon concrete in our high-volume product, hollow core slabs. The aim is to test various new additives in the manufacturing of precast concrete elements, and to significantly reduce the emissions of the manufacturing phase.
- Environmental Product Declarations, EPDs, have now been developed for all the main products on the Finnish market. This year, EPDs were finalized for structural elements such as columns and beams. EPDs were also developed in the Baltic countries for partition and cladding as well as insulated sandwich walls, hollow cores, and prestressed and reinforced structural elements This is an important step since this will be able to quantify the environmental footprint of the products for our customers, thus making it easier for them to make a more sustainable choice.
- The Hyrylä hollow core factory outside Helsinki implemented new routines and has succeeded in becoming a zero-waste factory. Crushed concrete waste is now being used in concrete mixes, as is sludge water. The use of crushed concrete waste as an aggregate has also been implemented in several other factories.

Highlights of the year

Partnership with YIT
This year we saw a rapidly growing interest in our low carbon products which are based on Parma Green technology. We entered a partnership with the Finnish construction giant YIT who will use low-carbon hollow cores in their residential production in the Helsinki metropolitan area and in Uusimaa.



New factory in Kangasala
Market demand for sustainable concrete solutions is constantly growing. To meet this demand, we reopened the wall factory in Kangasala in 2022. The factory's advantageous location near Helsinki also reduces emissions caused by transport, which in turn helps our customers reduce their Scope 3 emissions.

Largest delivery ever
Metsae Group's Kemi Bioproduct mill is the largest delivery Consolis has made in Finland in a single builiding project, which was finalized this year. Consolis Parma has efficiently leveraged the advantages of multiple factories to ensure delivery capability for a major customer.

Market offer

Products
Hollow cores, structural elements, walls, and facades.

Services
Design, production and assembly.

Types of buildings
Non-residential buildings including offices, industrial and logistic structures, and residential buildings.

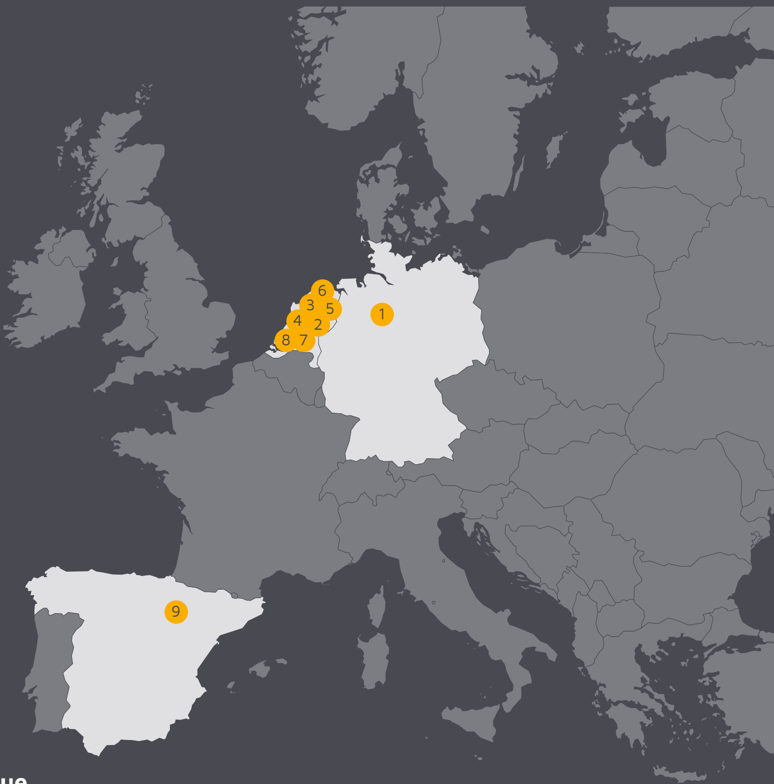
Western Europe

"We strengthened our customer relationships and mitigated some of the cost impact through efficiency gains and price adjustments. We reinforced our leadership in sustainability in the building industry"

Eduard van der Meer
Managing Director,
Netherlands

"It was a challenging year that ended on a very good note, empowered by our team's ability to align with our clients' needs combined with the push forward in the development of more sustainable solutions"

Marcelo Monteiro De Miranda
Managing Director,
Spain



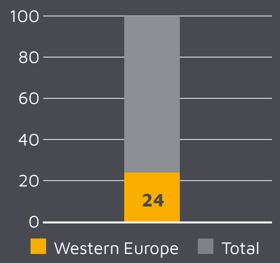
Locations in Western Europe

Germany
1 .... Schneverdingen

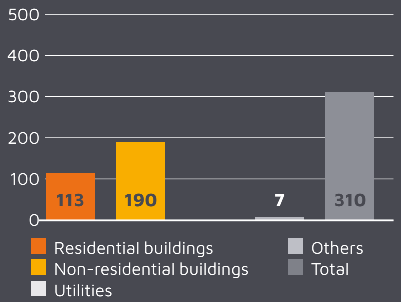
Netherlands
2 .... Huissen
3 .... Kampen
4 .... Oss
5 .... Schuilenburg
6 .... Drachten
7 .... Weurt
8 .... Koudekerk a/d Rijn

Spain
9 .... Tauste

Segment share of net sales, %



Income by significant revenue streams, million euros



Number of employees (FTE)

1,075

Western Europe

The year in brief

2022 started with a positive outlook and good performance. However, the war in Ukraine had significant impact on our industry. The surge in energy and material prices led to an increase in the dissolution of existing contracts and in the renegotiation of prices. Even so, we managed to achieve the necessary price adjustments while still strengthening our customer relationships. Working closely with our customers to better understand and meet their needs has been critical during this period of high commodity prices.

In the Netherlands, staff shortages created major delivery challenges. The Netherlands was also affected by the strict rules connected to obtaining permits for construction projects, combined with the equally strict local legislation on nitrogen emissions.

In Spain, the year ended on a very good note thanks to progress in sustainability and the proximity to our customers. Although the economic outlook for the coming year points to a slump in the construction industry, we are confident that we can continue to work with our customers to promote more effective and more sustainable construction through our prefabricated solutions.

Sustainability

To further reduce our carbon emissions several activities were ongoing throughout the year.

- In the Netherlands, the hollow core products were certified for the Green Spine Line®.
- Producing hollow cores with a lower carbon footprint requires different mixtures and longer curing times. In 2022, we adjusted our production schedules accordingly. Now, our production starts earlier in the morning and finishes later in the evening.
- In the Netherlands, a project was carried out with TNO, an independent research organization, and ASCEM, the research and knowledge institute of the BTE Group, to test alternative binders. Trials with secondary cementitious materials were run, replacing cement with a geopolymer.
- In Spain, several products were certified for the Green Spine Line® certificate: walls, columns, and beams. This allows us to deliver complete low-carbon structures. We also entered a cooperation with CarbonCure Technologies, a climate tech company offering a suite of technologies that reduce and remove carbon dioxide throughout the concrete manufacturing process. It is a collaboration that will have the scientific support of the Eduardo Torroja Institute of Construction Sciences (IETcc).
- The introduction of Green Spine Line® products in Spain resulted in two orders: a large logistics warehouse and a residential project.

Highlights of the year

Successful roundtable discussions in the Netherlands
The construction market in the Netherlands is held back by legislation and strict regulations for building permits. At the same time, the Netherlands suffers from a large shortage of housing. Being the market leader in hollow core production, we hosted two roundtable discussions on the future of construction highlighting key topics such as standardization, cost efficiency, and the sustainability of energy-neutral, climate-adaptive and circular buildings.

Strong operational growth in Spain
In Spain, we have focused on increasing productivity and improving quality. This strong commitment paid off and resulted in a 40 percent growth in sales. This result is driven by our team´s capacity to align with our customers' needs and a determination to make it through this challenging year together.

Implementation of a broad-based leadership program in Spain
Investing in our employees was also a key area this year in Spain. A broad-based leadership development program, rolled out at all management levels, addresses the belief that strong leaders can help employees achieve better results. The program focuses on leadership skills that are directly linked to the KPIs we believe will improve our results.

Market offer

Products
Hollow cores, structural elements, walls, facades, and stairs.

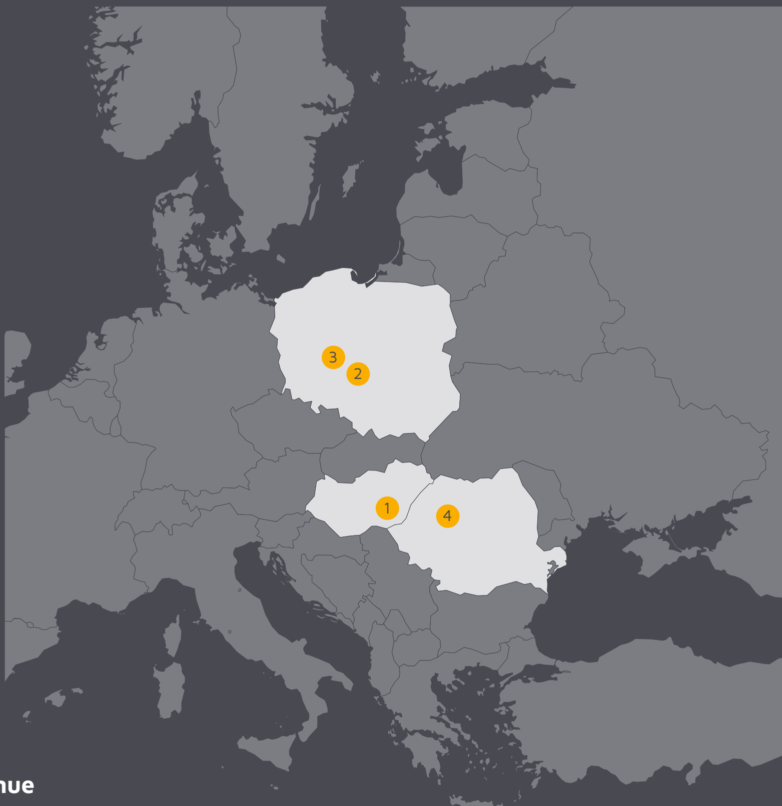
Services
Design, production and assembly (Spain).

Types of buildings
Non-residential buildings including offices, industrial and logistic structures, and residential buildings.

Eastern Europe

"2022 was a year of extremes. Despite the fact that it was probably one of the most difficult, complicated and challenging years ever, we managed to achieve one of our best overall results ever!"

Bogdan Bulgaria
Managing Director,
Eastern Europe



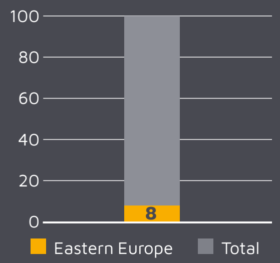
Factory locations Eastern Europe

Hungary
1 .... Hódmezővásárhely

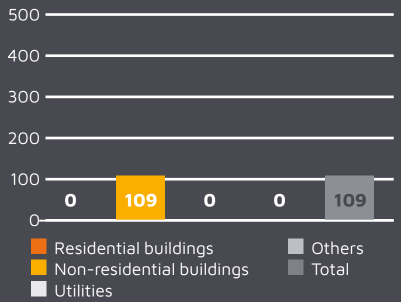
Poland
2 .... Gorzkowice
3 .... Ostrów Wielkopolski

Romania
4 .... Turda

Segment share of net sales, %



Income by significant revenue streams, million euros



Number of employees (FTE)

780

Eastern Europe

The year in brief

For Eastern Europe, 2022 was a highly successful year. In Hungary and Romania, we had an exceptional order intake; a result of being agile and working closely with our customers. Even though challenged by the war in Ukraine and a high-inflation environment, we managed to safeguard our margins. In Hungary, where we have three business areas of which precast production makes up the core, we had a record output. In Romania, the production exceeded previous years' levels while the order intake in Poland was on the same level as in 2021.
Our total revenue across Eastern Europe grew by 24 percent compared to 2021. We are proud of this result as it shows that our products and services are highly valued regardless of the market climate.

Sustainability

Optimizing the use of material and energy has been in focus throughout the year. We have worked hard to reduce waste, reuse more material and water, and optimize our energy consumption. Here are some of the initiatives of the past year.

- We have upgraded the heating systems in some of our factories and offices, thus managing to decrease the energy consumption. In addition,we have continued to upgrade our lighting to LED lights. In Romania and Poland, decisions were taken to install photo-voltaic panels in 2023; in Romania in the first half of the year and in Poland in the second half of the year. The green energy produced should cover 30-40 percent of the total energy consumed yearly by each plant.

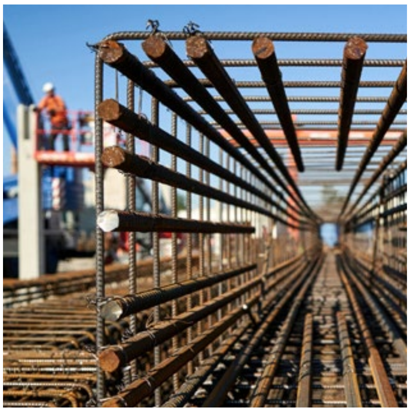
- We have also increased the reuse of water. In production, water is used to mix the concrete mix and to clean the machines. Now, the used water is directed into sedimentation tanks, and at the end of the process we can collect the filtered water which can be used for washing and cleaning industrial equipment.

- As for aggregate recycling, the concrete waste is currently recycled on site by a waste processing company and used for road construction. However, there are plans to test and introduce the reuse of these recycled aggregates in the company's own production in the manufacturing of precast elements.

Highlights of the year

Strong order intake
Despite financial and geopolitical uncertainties, we managed to deliver a solid order intake with good margins. A powerful brand and a great sales team enabled us to land orders and deliver projects and products at a good pace. In 2022, the average value of the backlog was 20% higher and this resulted in the highest ever production volumes in almost every production facility.

Tailored and intensive training
During the year we held training that addressed two areas: we focused on general management skills (time management, priority setting, negotiation, feedback, communication, smart selling, change management, leadership skills, effective meetings), and also on strengthening relationships and trust within each individual teams.



Optimizing the use of materials
Throughout the year we focused on reducing and optimizing our use of materials. Among other things, we have started to use steel strand waste to replace secondary reinforcement in some low-bearing load elements, such as wall panels or side beams. We have also worked hard on design optimization and reducing the carbon footprint, using the most agile and slim structural sections everywhere it was possible.

Market offer

Products
Structural elements, walls, facades, hollow core, and several different floor elements.

Services
Technical concept to detailed design, production, transport and assembly of the precast full range of products.

Types of buildings
Non-residential buildings: industrial and logistics structures, sport arenas, public buildings, and offices.

Emerging Markets

"Despite strong headwinds and operational challenges, 2022 was a very successful year where growth, innovation and operational excellence were at the core of our performance"

Nermine Safraou
Managing Director,
Emerging Markets

Factory locations Emerging Markets

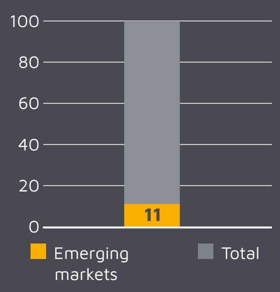
Egypt
1 .... X Ramaddan

France
2 .... Conflans

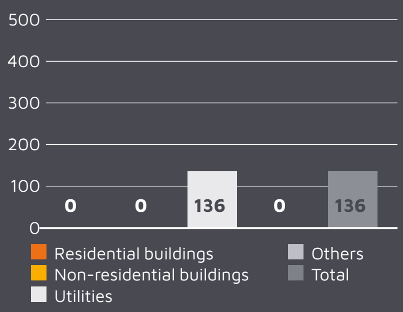
Indonesia
3 .... Jakarta

Tunisia
4 .... Bir M´Cherga
5 .... Borj Cedria
6 .... Ghraba

Segment share of net sales, %



Income by significant revenue streams, million euros



Number of employees (FTE)

2,469

Emerging Markets

The year in brief

The Emerging Markets have had a remarkably successful year, with an overall growth of 11 percent compared to last year. In Egypt in particular, the year was exceptional with 40 percent growth thanks to high activity in the infrastructure market. The effects of the war in Ukraine and rising inflation were successfully contained and limited.

We are entering 2023 with a solid backlog. However, the global financial and geopolitical uncertainties could affect the coming year, and the Egyptian pound devaluation, initiated during the last quarter of 2022, might lead to currency effects that are hard to oversee.

Sustainability

During the year, a number of activities were initiated to align the Emerging Markets with Consolis' overall sustainability ambitions.

- In Egypt, we are developing a new concrete mix that uses a type of cement with a lower CO_2 content, thus improving the environmental impacts of our products. The ambition is to certify the product for the Green Spine Line®.
- In Indonesia, we are working to reduce water usage and waste generation. In 2023, we are aiming to install tanks to collect rainwater at our factory.
- In Tunisia, several sustainability initiatives are ongoing that focus on the reuse of concrete waste and reducing our energy consumption.
- In France, our operations have been certified at the Silver Medal Level by EcoVadis, a world renowned CSR rating agency.

Highlights of the year

New workshop at full capacity in Egypt
In Egypt, the infrastructure market is booming. Sales increased during the year thanks to a well-recognized brand and to being a trusted supplier. In 2021, a new workshop was established to supply a mega project in Sinai. This workshop reached its full capacity in 2022, enabling the production of higher volumes of PCCP pipes.

New local and regional water induction projects in Southeast Asia
In Indonesia and other parts of Southeast Asia, we are a well-known supplier of large pipes for projects and water systems and infrastructure. In 2022, we have successfully supplied our first water induction projects both in Indonesia and Cambodia.

New products in Tunisia
In Tunisia, we launched new products, among them FTI pipes that have previously been sold in other markets. The advantage of the FTI pipes lies in their improved watertightness and capacity to transport water at high pressure. We have also produced modular and circular housing units that come fully equipped and can easily be dismanteled and transported to a different location.

Market offer

Products
High-pressure water systems for the utilities segment.

Services
Design, production and civil works*

Types of buildings
Our high-pressure water pipes and systems transport drinking water, water for irrigation and sewage water – as well as water for power plant cooling systems.

*In Egypt and Indonesia, operations are structured as joint ventures with local partners. Civil Work concern Tunisia and France only.

Our concrete Sustainable Promise

We are a strong force in our industry, and we are committed to taking the lead to influence and drive significant sustainability improvements.

By deeds, not just in words, our teams will show that improvements come from conscious decisions, shared knowledge, experience and collaboration with our suppliers and customers.

Together we will reduce the environmental impact from our products and operations.

Environmental, economic and social impact

Consolis’ sustainability framework

As a European market leader in precast solutions, Consolis has both a responsibility and an opportunity to achieve actual change. We aim to be a strong force for sustainability in our industry. When we talk about sustainability, we include a wide range of topics connected to our environmental, economic and social impact – throughout our value chain. These topics concern areas such as how we conduct business, how we care for our employees and the communities where we operate – and how we can inspire the industry by taking the lead towards net-zero emissions from our operations and our value chain.

Well-built for well-being is Consolis’ purpose. It is a purpose built into our products and services, and it is also the basis for how we approach sustainability. Our aim is the well-being of the planet, our employees, and all the people using our products. We divide our efforts into three core areas: environment, people, and business ethics. These are areas where we can identify the greatest sustainability risks in our operations, and subsequently areas where our efforts can have the greatest positive impact.

Materiality analysis

Consolis performs a materiality analysis biannually to ensure a continued strong dialogue with its stakeholders. In 2021, Consolis performed a materiality analysis together with key stakeholders. They include customers on our local markets, employees across the Group, work council representatives, investors, ESG analysts, industry associations, environmental organizations, and Consolis’ Board of Directors. The analysis enabled us to identify what Consolis’ stakeholders view as being important and gave us a solid understanding of the areas they see as having a strong impact on the business success and enterprise value. Moreover, the materiality analysis renewed and confirmed the direction for Consolis’ core sustainability areas.

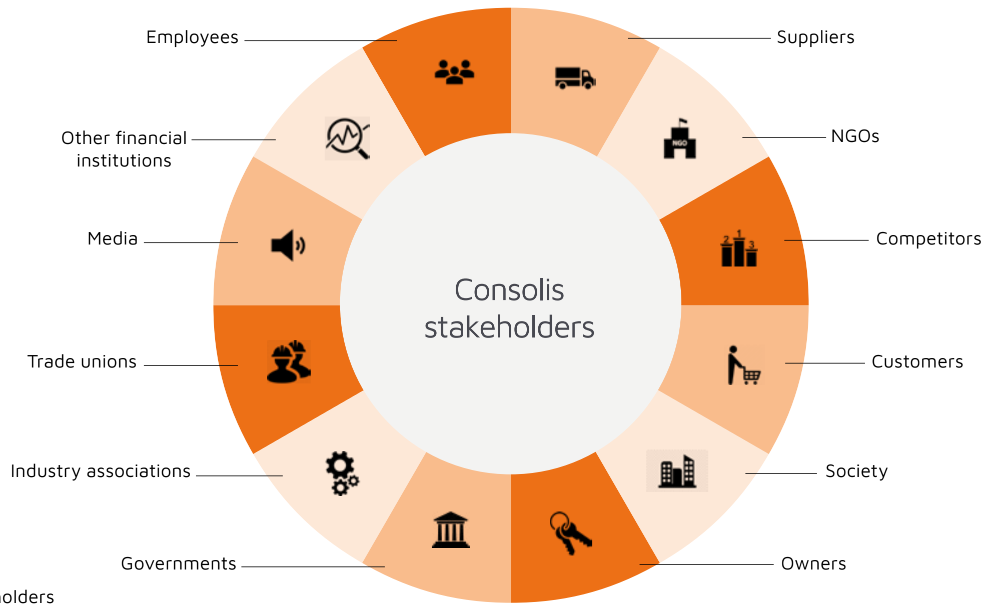


Figure 1:
Consolis stakeholders

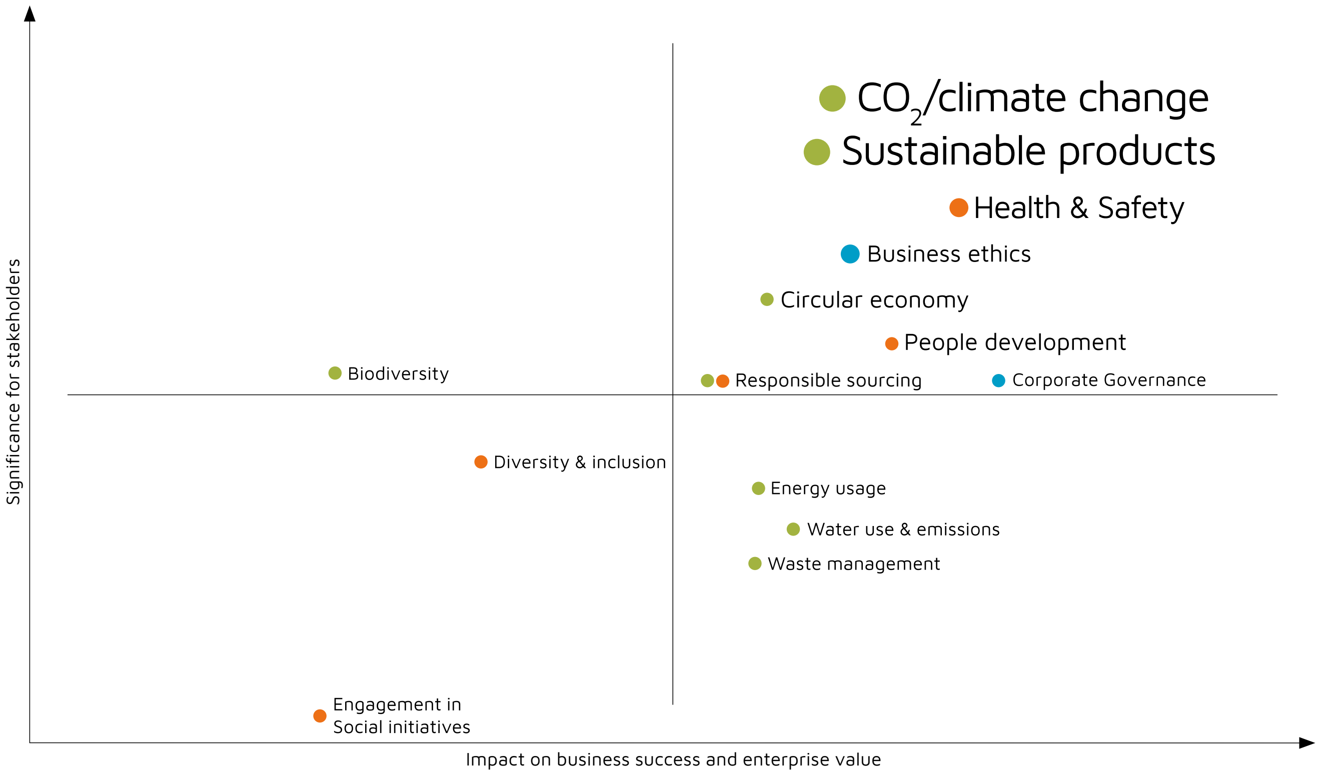


Figure 2:
Consolis' materiality matrix.
Green: Environment, blue: Business, orange: Social

The business offering and our operations
Precast concrete production is in itself a CO_2-reducing alternative compared to cast in-situ solutions, with up to 40 percent lower emissions. And by delivering high-quality flexible products for buildings that will stand for centuries, we add value to people's lives while at the same time reducing the long-term need for building materials. In that sense, we believe that by growing our business we contribute to a more sustainable industry.

Consolis is active on 17 markets, with production sites in rural areas. This makes us an important employer in the communities where we operate, contributing to the development of the local economy and a flourishing society by providing job opportunities.

But we want to do more. In fact, we need to do more. The construction industry accounts for a significant portion of global CO_2 emissions. And while our products might have a lower carbon footprint than the industry average, we still have a substantial environmental impact. Being a large employer also makes us responsible for the health and well-being of our employees, a responsibility we take seriously.

The Juvelen office building in Uppsala with its shimmering facades designed to ensure the building's low energy consumption.

Hollow cores being checked on in the stockyard in Hönefoss, Norway.

Ambitions going forward

With that in mind, the Consolis Executive Management Team has decided on four main ambitions for the years to come, ambitions that connect to the core areas outlined on the previous page. They are as follows:

- Deliver safe, sustainable, and high-quality products. Reducing emissions and maximizing lifespan will be key aspects when we design new products, as will the possibility to contribute to the circular economy.
- Minimize our environmental impact through the responsible use of raw materials, energy, and water. We will improve our waste management and ensure there are no harmful materials used in our production.
- Work with responsible sourcing and business practices as a way to secure human rights, acceptable labor practices, and good business ethics throughout our value chain.
- Create and maintain safe, diverse, and dynamic workplaces where we work together to generate value for our stakeholders and for society.

Global initiatives and reporting standards

With the materiality analysis as our foundation, and with a clear focus on the areas where Consolis can make a difference, we have identified seven of the UN Sustainable Development Goals (SDGs) to actively focus on. These can be found in the description of each core area. Consolis supports and acts in the alignment of the principles of the UN Global Compact. In 2022, Consolis joined the Science Based Targets initiative (SBTi). We are now working on the second step in the SBTi process, which entails developing emission reduction targets in line with SBTi's net-zero criteria.

Consolis works in line with the Global Reporting Initiative (GRI) Standards. This report has been prepared in accordance with the GRI Standards and follows the reporting principles for defining report content for the reporting period of the year 2022. This report is not externally assured but will be prepared and published on an annual basis going forward.

Environment

The building and construction industry is responsible for a substantial portion of global CO_2 emissions. As a European market leader in precast concrete solutions, we have an obligation to act. Consolis wants to drive change and are committed to taking the lead in the industry. Furthermore, we know that more sustainable operations also mean a more sustainable business. We believe that precast concrete can become a net-zero material, and that Consolis itself can and will become a net-zero company.

Key environmental sustainability topics
Consolis has identified several important topics where we need to focus our efforts in order to reduce our overall environmental impact:

- Sustainable products and CO_2 reduction,
- circular economy,
- energy consumption,
- water use,
- waste management,
- and biodiversity.

These topics are further clustered, measured, and reported in three areas – the product (sustainable products, CO_2 reduction, and circular economy), production (energy consumption, water use, and waste management), and biodiversity.

Today, reducing CO_2 emissions must be at the top of every company's agenda. For Consolis, as a large player within the building materials sector, this is especially true. However, the other identified key environmental sustainability topics are not only important in themselves but also contribute to lower CO_2 emissions. At Consolis, we approach environmental sustainability from a holistic approach, and these are all important topics as we work towards net-zero.

Measuring and target-setting
In 2021, Consolis identified our key environmental sustainability topics. Throughout our 17 markets, and on a Group level, we work in different ways to lessen our impact every day. That work, for each area, is described later in this chapter and in the presentation of each market. One important enabler for large-scale change is being able to measure our impact in detail. Measuring our baseline is a prerequisite for target setting, which in turn is crucial when we are to decide how best to achieve the changes necessary. In short, data is important, and in 2022, Consolis took a large stride towards improving the collection of sustainability data from our local markets.

With our new data consolidation tool, that was developed in 2022 and will be implemented throughout Consolis' business units in 2023, it will be possible to measure our impact on key sustainability topics. This data consolidation tool will be integrated across the organization in a way that enables us to collect data from different divisions of our operations, including procurement, production, and logistics.

Going forward, we will be able to measure a broad range of data connected to material and water consumption, energy consumption, waste generation, and get even more detailed data on our CO_2 emissions. It will also be possible to measure more of our Scope 3 emissions, which is crucial for Consolis' ambitions for CO_2 reduction. Currently we limit our emissions to binder and reinforcement steel production-related emissions which represent the major portion of our product related emissions.

In 2022, we also joined the Science Based Targets initiative (SBTi), the world's first framework for corporate net-zero target setting in line with climate science. We are now in the process of developing the emission reduction target in line with the Paris Agreement. With the implementation of our new data consolidation tool across our local markets, we will be able to identify our baseline and monitor progress going forward.

The Consolis Sustainability Week
In the spring of 2022, the second annual Consolis Group Environmental Sustainability Week was held, packed with seminars and dialogues on sustainability. The Environmental Sustainability week is an initiative to create even stronger awareness and understanding on the topic, inspire, and showcase successful projects and initiatives that are ongoing in Consolis' 17 countries. The week was organized as an online event, making it possible for all employees to participate and external stakeholders to take part as guest speakers.

Consolis' efforts to reduce our carbon footprint are centered around ten pathways. These ten pathways concern different parts of our operations and describe how we can lessen our impact by reducing, replacing, recycling, and reusing.

	Reduce	Replace	Recycle/Reuse
Material	1 Reduce cement by better quality/process control and additions	2 Replace cement by secondary cementitious materials and alternative binders	3 Recycle concrete, water, slurry, cement and reinforcement
Element design	4 Design our elements with optimal use of concrete and reinforcement	5 Replace concrete and reinforcement with low-carbon alternatives	6 Design building elements for reuse and flexibility (extend lifetime)
Building design	7 Design our buildings for maximum utilization of elements and their functionality	8 Substitute building elements and components with low-carbon options	
Energy	9 Reduce energy use in production and transport	10 Source low carbon/renewable energy in production / transport	

Table 1:
Consolis' ten pathways to reduce the carbon impact.

2 An ongoing pilot project in Sweden is experimenting with using husk ash concrete in precast walls.

6 Our business units in the Netherlands, Finland, and Sweden are participating in the ReCreate project, an EU-funded project that aims to discover how used concrete elements can be deconstructed to be reused in new buildings.

9 In Spain, we have managed to reduce our energy consumption by more than 10 percent (kWh/ton of delivered products) thanks to equipment upgrades and employee training on how to save energy.

Key environmental sustainability areas – actions and activities

The product
The pathways will help to achieve SBTi objectives and will guide us towards net-zero. In the meantime, we are constantly working to reduce the CO_2 emissions and improve circularity performance of our products and operations. Precast concrete is in itself a CO_2-reducing alternative to in-situ solutions, with up to 40 percent lower emissions. Still, our products have a significant CO_2 impact. To reduce these emissions and improve circularity performance we work with several different methods following 10 pathways: smart design, the reuse of elements, the recycling of material, minimizing waste and energy use in production, and recipe optimization. We call the result of our efforts the Green Spine Line® , and you can read more about our certified product line on page 44. We strive for full transparency of the carbon impact of our products in all markets. We are making our impact on the climate more transparent by measuring a clear carbon footprint of our operations and developing Environmental Product Declarations (EPDs) for all our products. We have developed EPDs in most of our markets, however yet not in Eastern Europe and Emerging Markets. We also require EPDs from our suppliers.

Replacing traditional cement
The biggest cause of CO_2 emissions in traditional concrete production is connected to the use of cement.

Reducing or replacing the cement is therefore a priority in our production development, and in 2022 several commercial and experimental projects were in place on different markets. In the Nordic markets, we have used alternative concrete recipes for many years. These recipes include an increased proportion of secondary cementitious materials and reused concrete. The water-cement ratio has also been changed to reduce the amount of cement. And across our local markets, we are adding other secondary cementitious materials to the mix, such as flyash, a rest product from the energy industry, and slag, a rest product from the steel industry. We are also experimenting with other binders, for example clay, bioashes, and husk ashes from rice and grain.

Reusing elements from a building

We also need to design buildings in such a way that the supporting structures are demountable at the end of a building's life. Those elements can then be reused in a new building. Opting for circularity by means of demountable construction is a major step forward from a sustainability point of view as it reduces the use of primary raw materials and significantly reduces CO_2 emissions.

Consolis is participating in three of four country pilot projects within the EU Horizon 2020-funded international ReCreate project, which is aiming to reuse salvaged precast elements from buildings that were not initially designed for disassembly or reassembly. In the recently delivered Swedish pilot building, a precast based structure was built with more than 90 percent reused material (by weight), reducing CO_2 emissions by about 90 percent There is also a number of ongoing internal circularity projects on our local markets, where buildings are designed and built with future reassembly in mind. Among these is the circular residential raw-house project in the Netherlands, that was built without wet casting works and then disassembled and reassembled to prove it can be done in such a way.

Product development – more examples of projects and activities in 2022

- In Sweden, we are conducting tests to reduce the amount of cement used in concrete stairs and landings.

- In Finland, there are factory plans in place to reduce the cement usage in all product categories. Also, work is being carried out in collaboration with the materials technology company Betolar on the development of alternative binders to replace conventional clinker-based cement.

- In Norway, Consolis is partnering with customers to develop circular precast solutions.

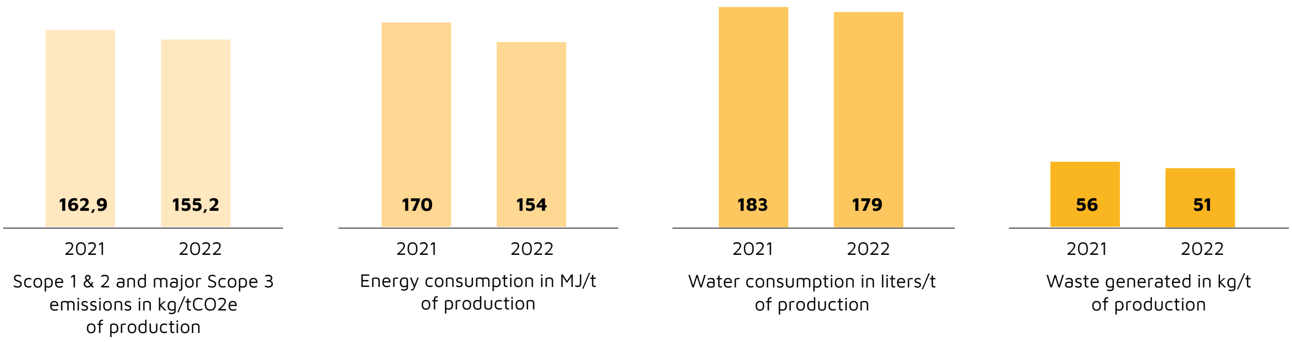
- And in Spain, we work with CarbonCure Technologies to introduce recycled CO_2 into our precast concrete products. This reduces their carbon footprint, and in effect turns the products into carbon sinks. However, the main CO_2 reduction is achieved by reducing the amount of cement used. This is possible thanks to the fact that injected CO_2 in the concrete mix makes the concrete stronger and reduces the amount of cement needed to achieve the required concrete strength.

Production and suppliers
Our products affect how sustainable we are as a company, but it is equally important to look at how we produce them. The precast production process makes it possible to optimize the use of raw materials and minimize waste generation and water and energy consumption. To mention one example among many, the heat used to accelerate the hardening of concrete is also used to heat the production halls. At Consolis, we work in several ways to further reduce the environmental impact of our production. We use locally sourced raw materials, such as aggregates and binders, whenever it is possible. In 2022, we also initiated an environmental and social assessment of our prestressing strand and wire suppliers on a Group level. We assessed nine suppliers out of a planned ten, a result of the resource-demanding market situation. In 2022 Consolis obtained four new prestressing strand and wire suppliers. All of these new suppliers were assessed using internally developed social and environmental criteria. In 2023, we plan to engage with third-party assessors to help us continue with our supplier assessments.

Reduce waste and concrete by recycling
Another advantage of precast concrete products, in terms of production, is that there is less waste generation. And the waste that is being generated can, with the right routines in place, be recycled. For example, crushed concrete can be used to make new concrete for new frames, walls, and facades. Our goal is to transform all our production facilities into zero-waste facilities. Several of our production sites already have a closed circular production system, where all waste material is processed and reused. The hardened concrete waste is crushed and obtained aggregate is reused for new concrete, the residue of fresh concrete and water is fully recycled, and the waste steel goes back to the steel producers.

Prestressed hollowcore slabs are an excellent choice for many different construction projects. It is a slim and an optimized element with strong load-bearing capabilities. As being a high-volume product for Consolis, many initiatives are taking place to minimize the cement in the concrete recipe.

Environmental indicators 2022



Production – examples of projects and activities in 2022

- In Denmark, we have managed to reduce the energy consumption by 29 percent by implementing several small improvements in the production process. These include a prolonged curing time and the use of AddHeat, a solution for intelligent temperature and strength monitoring of precast concrete that allows for both energy optimization and cement reduction.

- Four factories in Sweden and Finland have become more circular by using their own waste concrete as crushed aggregate for new products.

- Our operations in Spain saw a 37 percent reduction in waste generation compared to the previous year. This was achieved by optimizing production processes and reusing unhardened concrete for other purposes.

Biodiversity

Biodiversity and the long-term protection of the earth's ecosystems is of crucial importance for the planet. For us at Consolis, it is one of our key environmental sustainability topics, as identified by our materiality analysis. However, the largest risks to biodiversity are not found in our direct operations, but instead in our supply chain – and not least in the cement and aggregate sector as our suppliers there excavate primary material. To reduce our impact on global biodiversity we will therefore make sure our key suppliers have biodiversity measures and management in place. We will do this through our responsible sourcing assessment, where we screen suppliers using environmental and social criteria. Questions related to biodiversity will be included in the supplier assessment checklist.

Results

All four of the environmental relative indicators impoved in 2022 compared to 2021 (see the chart above). Our relative Scope 1&2 emissions per ton of production have decreased as a result of less energy consumption in the majority of our countries and as a result of increased share of renewable electricity, in some of our countries.

The measures we have taken to reduce energy consumption have improved energy efficiency in some of our factories by optimizing the curing of our precast products through improvements to our factory machinery and equipment, such as insulating moulds. We have also lowered the set-point temperatures in our factories and offices and raised our employees' awareness regarding lower energy consumption.

We have reduced our relative Scope 3 emissions per ton of production as a result of optimized concrete mixes using less binder, substituting the Portland cement with blended cements, and secondary cementitious materials. The general secondary cementitious materials like flyash and slag are used in the East and West Nordic markets, and in the Netherlands and Germany within Western Europe. We have also been using fewer reinforcement products such as strand wire and reinforcement mesh by optimizing the design of our products. The increased prices and lack of steel material during the year contributed to using residues as reinforcement in some low-bearing load elements, wall panels, and side beams. In 2022, several initiatives were taken at our production sites that led to a reduction in relative water consumption, for example in Spain by using recycled water from washing concrete shuttles, in Romania and Hungary by using recycled water for washing equipment and ready-mix concrete trucks, and in Denmark and Tunisia by using rainwater collected from the large roofs of our plants.

Waste management and relative waste generation also improved in 2022 thanks to initiatives that have led to successful results at our production sites, for example in Spain and Sweden by optimizing the production process and reusing fresh concrete for other purposes; in Indonesia by introducing better control of waste, sorting it and avoiding it where possible; and in several Nordic and Western European countries by recycling concrete and reusing the aggregates obtained in production.

Consolis' Green Spine Line® paves the way forward

At Consolis, we are determined to take the lead in the sustainable transformation of our industry. In 2022, Consolis introduced the Green Spine Line® – certified and sustainable precast products, solutions and methods that help our customers to reduce their environmental challenges.

The Consolis' Green Spine Line® is both a product line and an internal certification system. Creating common standards on a global market is complicated and it takes time. And while we respect that process, we won't let it slow us down. That is why we have created our own certification criteria for the Green Spine Line®. In order for a product to be included in the Consolis Green Spine Line®, these three criteria must be met:

1. Market leadership: At least 15 percent lower CO_2 emissions compared to precast industry standards.

2. Continuous improvement: A clear plan and local commitment to further reduce the CO_2 emissions of the components over time.

3. Customer significance: The products must have the commercial power to make a significant impact on our customers' journeys to reduce carbon emissions.

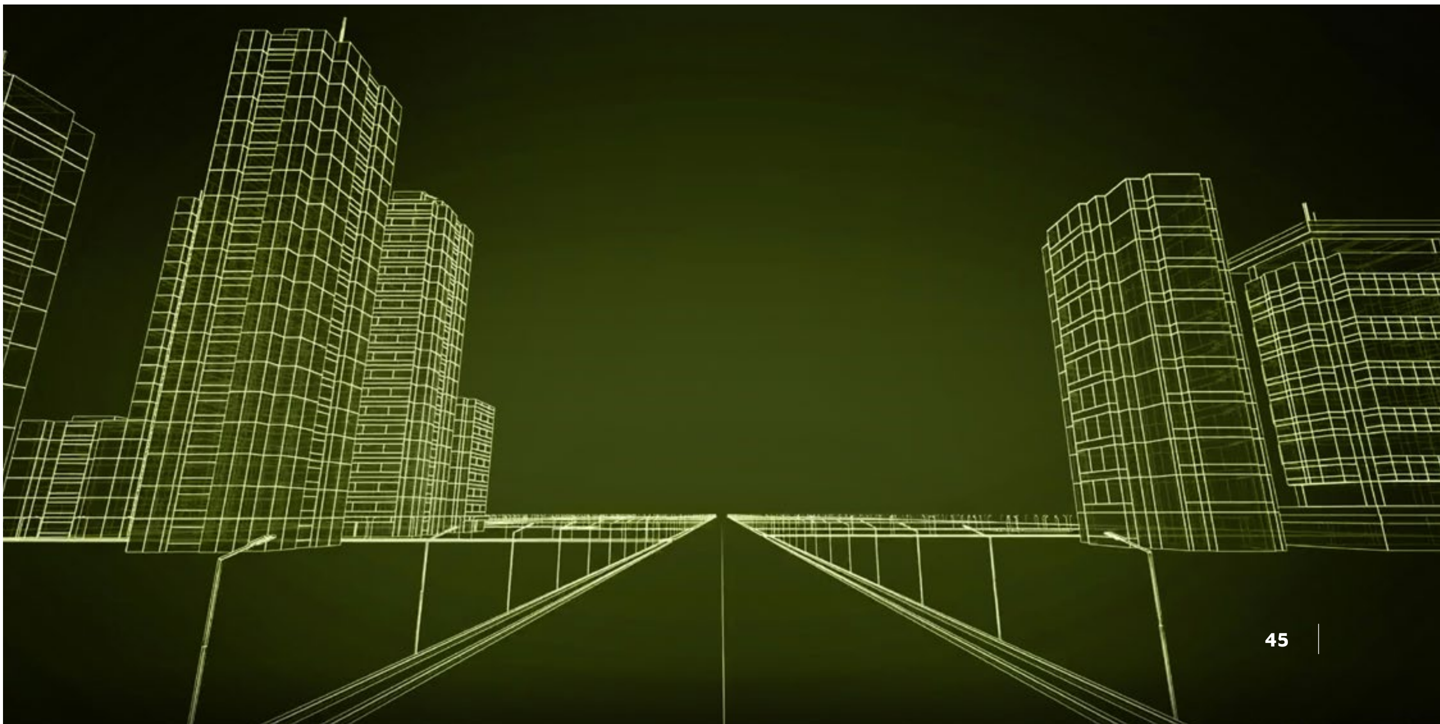
Developing products with lower CO_2 emissions can be done in several ways. One is recipe optimization, which means finding alternatives to high-emission ingredients such as cement. Another important method is finding ways to build lighter and slimmer components that require less raw material, but still live up to quality standards. Today, not even a full year after we introduced the Green Spine Line®, five of our local markets have already developed three products that meet the three criteria for certification.

Green Spine Line® hollow cores. Our green hollow cores are available in Finland, Sweden, Denmark, and the Netherlands. With 18–47 percent lower CO_2 emissions, depending on the industry average on the respective markets, our green hollow cores can truly make a difference. We're now pushing the pace to make them available on more markets.

Green Spine Line® walls. In Finland, Sweden, and Spain, we can offer walls that reduce CO_2 emissions by between 22 and 44 percent. Our walls are initially available for partition and inner shell structures.

Green Spine Line® structural elements. In Spain, we can also offer columns and beams. Using these columns and beams to form a frame structure leads to a CO_2 reduction of more than 15 percent.

Our plan is to add a number of new products to the Green Spine Line® in 2023, and to introduce the Green Spine Line® products on a majority of our markets.



People

Our employees are the bearers of the collective experience, competence, and know-how that shape Consolis as a company. All that we know about design, assembly, sustainability, and precast concrete solutions in general, is known by the people who work here. Our employees are also the bearers of our shared values and our purpose. In fact, they form the backbone of this company. To care for the well-being of our employees is therefore essential in everything we do, and is crucial for the well-being and sustainability of Consolis.

Our values

Safe and friendly

We have a safe culture where people can achieve their full potential. We put health and safety first.

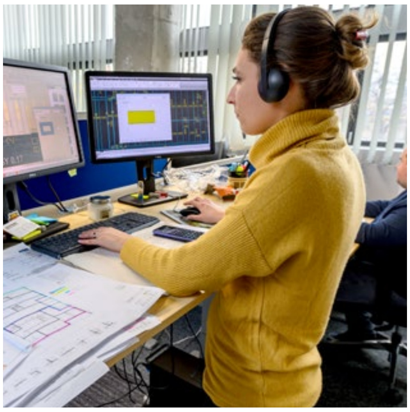
We communicate in an open and friendly way where we show attention and listen to others. We believe in helping each other grow and learn by giving and accepting honest and constructive feedback. We treat each other in a fair, equal and respectful way. We are loyal to each other and to our customers.

Collaborative

We have a sharing culture where we help each other to become stronger as a Group.

We apply "we thinking" over "they thinking", interact with an open mind and embrace different viewpoints. We involve each other to ensure good collaboration with colleagues and customers. We innovate and evolve together. To achieve this we mix skills, knowledge, and backgrounds. We celebrate achievements by others, the team and the whole Group. We bring energy, ownership, and personal commitment to what we do.

Results oriented



We have an action-oriented culture, where we focus on getting things done.

We are driven by deeds, not just words, exceeding individual and common goals. We proactively focus on and respond to our customers' needs and take pride in keeping promises. In order to reach results, we identify what needs to get done and in what steps. In striving to contribute to something bigger, we seek new opportunities to create value for the company and put effort into creating sustainable solutions, both for our customers and our planet.

These are the three shared values that guide us in our everyday work. They describe how we work and interact with each other, our customers, suppliers, and partners. The values form the core of Consolis' company culture and describe the behaviors we see as critical to business success.

Consolis' values were identified and established in 2021. During 2022, our focus was on implementation. We conducted workshops throughout the organization and in our 17 markets, leaders and teams gathered to create a common understanding of what these values mean in different contexts and for different roles and teams. The local workshops have been an important part of making sure that we are all fully aligned when it comes to values and behaviors that explain both what has characterized us in the past, but moreover what will be supportive values and behaviors to remain leaders in our industry. The values are an essential part of all Group-related communication and a support to our business strategy.

The important work with values continues and is to be embedded in any development of HR processes such as performance management, talent management, and recruitment, that is values being an important factor in reviews and decisions that we make.

People engagement and well-being
The well-being of our employees can be, and needs to be, measured on different levels. The first level concerns the physical safety of our employees, partners, customers, and anyone visiting our production sites. We have a zero-accident vision and work towards a zero-accident culture. In essence that means training and encouraging everyone to consider safe execution well before activities are initiated and encouraging all stakeholders to make and report risk and safety observations when they see something that could potentially pose a threat to health and safety. These reports are, together with planning and preventive mapping, instrumental in reaching the vision of zero accidents for Consolis. We therefore measure both incidents, close calls, and the number of risk and safety observations as well as monitor activities aimed at promoting and reinforcing a safety culture. Reporting and follow-ups are made on a regular basis with each operating unit having its own target level.

The next level concerns the engagement and psychological well-being of our employees. Here, we work with important areas such as inclusion, leadership, learning and development. To accurately measure how well we are doing, and how well our employees are doing, we have established the Consolis Engagement Index, a behavioral science-based employee survey that provides information on how engagement and well-being, at work and in life, are perceived among our people.
The survey covers engagement and well-being related topics such as:

- Relationships with colleagues
- Goals and goal achievement
- Meaningfulness and participation
- Relationship with manager
- Workload
- Autonomy
- Learning and Development
- Feedback and Communication
- Workplace and tools
- Strategy, vision and culture
- Health

The survey that was introduced in 2022, gives information about the status of our organization. It also provides relevant market benchmark data and employee Net Promoter Score (eNPS) opportunities. As the index was introduced this year, the next step is to establish a baseline from which to set future targets.

The 2022 survey result arrived at an average 3.6 on a 5-point scale and was on par with the external industry benchmark. The areas on a Group level that were confirmed as Consolis strengths were: Relationships with Colleagues, Goals and Goal Achievement, Meaningfulness and Participation. These are areas that to a large extent are important for high engagement and consequently successful results. The areas identified to focus further on were: Health, Feedback and Communication, Workplace and Tools. Consolis had higher scores than the external benchmark in these areas but we will take the opportunity to ensure continued improvements, making

3.6	6.7	4.5%
Employee Engagement index 2022 (market benchmark 3.6)	**Training hours/employee** 2022	**Annual sick leave rate (Group)** 2022

sure that we move from good to great. Follow-up meetings and actions are local to ensure each team works with its own specific result. Consolis aims to have a result next year that is higher than the market benchmark.

Consolis Triple Bottom Line, ESG target areas, specifically highlight: Health and Safety, Employee Engagement, Diversity and Inclusion, Business Ethics and Governance as important focus areas. 2022 was a year when we, to a large extent, confirmed our baseline in the Social, as well as the Environmental part of the ESG. The work with establishing target levels as well as moving Consolis positions forward will be the focus for 2023. For more information on current baseline see Detailed sustainability information on page 96.

Employee communication and relations

The total workforce at Consolis comprises a combination of permanent (80%) and temporary (12%) own employees and external hired labor (8%) of the total 8,101 employees. The hired labour force is often a support in larger construction and assembly projects that span over a defined period and/or short term when the business has production peaks.

Employee communication is crucial for the Group and internal communication channels are well developed both Group and on local levels. Consolis has a well-established European Works Council, EWC, with representation across many EU countries whereby the Group informs and consults on significant business information and on an annual basis updates the employee representatives. The majority of Consolis' businesses are covered by collective agreements. In addition to the EWC, the Group has continuous local dialogues with employee representatives as well as directly with its local employees.

Diversity and inclusion

With operations in 17 countries, Consolis acknowledges the value of diversity in the broadest sense. We aim to have engaged and motivated employees, by offering them equal opportunities. We believe that in order to be successful, we need to ensure a welcoming work environment where it is not who you are or where you come from that counts, but what you bring in terms of knowledge and experience. Diversity and equality are prioritized areas throughout the organization and are taken into account in everything from recruitment processes to employee dialogues and career development. In a male-dominated industry, the Group works on its gender diversity and 2022, 28 percent of the senior managers at Consolis were women. In the Consolis Executive Management Team, 3 out of 12 members were women.

There was a small increase (1%) in the number of female employees overall. The pre-cast concrete industry has historically been male-dominated, but with an increasing number of support tools and work equipment jobs on the shop floor can today be operated by females as well. Consolis acknowledges the challenge when it comes to gender balance and in 2023 will identify how to continue to reach an improved gender balance.

Consolis Force Team of the month

At Consolis our focus is on deeds, and not just words. Remaining a leader in the industry and ensuring that our business strategy is implemented and that our values are more than just words on paper, the Group introduced Consolis Force Team of the Month in 2022. This is an initiative that brings focus to our strategy and values, by gathering together teams from across the Group to collaborate and ensure realization of our business strategic focus areas. By highlighting the teams, sharing good practices and celebrating results we engage around what makes a difference.

During the year, over 400 colleagues and 90 teams were promoted as the Force Team of the Month in their respective market. Out of these contributions, three winners were awarded Force Team of the Year on the Group level at a digital event open to all employees. The Force Team of the Month concept has led to great engagement around the Consolis strategy and exchange of constructive ideas from the different markets. Consolis has a well-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established internal social media channel where employees across all our markets can find information, share and communicate with each other. This is the channel where Consolis announces, celebrates, communicates and discusses the Force Team of the Month, but in addition also shares other learning and development initiatives.

Competence, leadership, and people development

The well-being of our employees is our first priority. It is also a prerequisite for the well-being of Consolis as a company. We are committed to being an attractive employer with safe, collaborative workplaces and environments where individuals and teams learn, grow, and together achieve great results. For the Group to maintain a leading position in the industry, Consolis needs to continuously focus on growing its expertise and competence.

Throughout our local entities across our 17 countries the local organizations provide training and development opportunities for employees. These initiatives span over several competences such as technical training, language training, project management certifications, personal development and leadership training. The Group reached an annual average training hours/employee of 6.7 hours. This excludes general mandatory training such as the Code of Conduct, safety awareness and other on-the-job training.

Consolis applies a well-established Performance Management process where employees and leaders together set objectives, follow up on progress and bring conclusions from the end-year evaluation into the next performance cycle. Development is key for the organization and CODE, a lean-oriented way of working is established across many of Consolis operations to ensure instant learning and sharing of best demonstrated practice. During 2022 a new Learning Mangement System (LMS) platform for e-learning was implemented and piloted. During the coming year, the organization aims to offer increased development opportunities for professionals and leaders. A significant amount of skills training will be launched in English as well as local languages.

Health and safety

The Consolis vision is to be a zero-accidents workplace and to foster a zero-accident culture. To get there we promote risk awareness, focus on preventing work-related incidents, and share best practices across our markets and production facilities. We do this in several ways, both locally and the Group level. Here are some examples of actions:

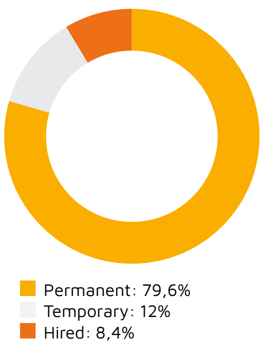
- Our "Don't Walk By" principle calls upon everyone to be vigilant and pay attention, and to react on any ongoing or potential safety issue found. To us it is critical that anything that could potentially lead to an incident is identified, acted upon, and reported. Employees and other stakeholders can make such observations using both electronic tools, verbal reports to the next level manager and/or pen to paper.

- We also promote Visible Felt Leadership which means encouraging all employees to regularly approach colleagues on the job to discuss working methods, risks, and procedures.

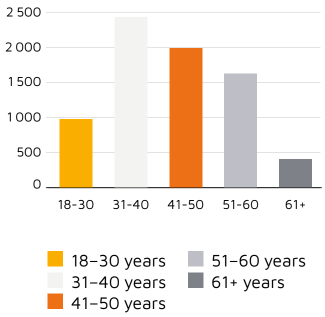
- The Consolis Safety Week is arranged each year throughout the organization. For one full week, all business entities focus on overall safety and the week is filled with training, workshops, and dialogues on safety. Many of the local activities involve suppliers, external trainers, and community stakeholders. This year the training material was translated into 17 languages with mandatory training sessions carried out throughout all business units.

- If a serious incident has occurred, or was close to occurring, a quick flash report covering the issue and initial findings is distributed to the whole Health and Safety network and all other relevant stakeholders. We share this information fast and wide to trigger other units to review their practices in the relevant area.

Permanent, temporary employees, hired labour (FTE)



Age structure employees (FTE)



Total number of employees (FTE)

- Consolis also operates programs for knowledge exchange between units via our Health and Safety Networks and our Audit Programs. During the pandemic, activities have been reduced but the intention is to once again expand the Health and Safety reviews.

Safety coordination and networks
The Consolis Health and Safety area is managed via a small central HSE team on the Group level which – together with a wide HSE network of local HSE managers in each of our locations – plans, manages, and drives the strategy forward.

Safety is all about the day-to-day work. In line with the Consolis Health and Safety policy, safety is coordinated at the business unit level with support from Consolis Group functions. Local managing directors and line management use the wide experience from the Group when they define their own priorities, set targets, ensure effective implementation, and monitor progress against benchmarks. Every business unit and site has safety professionals that manage preventive measures and corrective actions. Most sites also apply common Group standards and best practices that address risk areas such as equipment operation, stockyard safety, and protective equipment use.

The pandemic
2022 was yet another year whereby we, like other businesses, were still affected by Covid-19 and related restrictions, especially during the first two quarters of the year. We had local action plans in place, and while this approach worked to minimize the spread of the virus, some factories still experienced outbreaks. Absenteeism rates were at times high, with some workers restricted from traveling by governmental regulations. Social interaction, both at work and in private settings, were significantly reduced and caused challenges for some.

Despite a challenging year, the Consolis sick leave rate decreased to an average of 4.5 percent in the Group. Also, the reported HSE incidents and injuries decreased in line with targets.

Results
During 2022 we re-initiated more hands-on activities out in the factories and on site. Activities ranged from using directed safety stops in operations where safety trends were unfavorable, Go and See visits and limited audits to a re-start of the Visible Felt Leadership and Safety Observation tool. The latter more geared towards the mid-term change of safety culture and forming the basis for why the theme Don´t Walk By is instrumental to pressing incident rates down.

Already during the year we could see a significant shift in both attitude and attention and as a consequence also the reported numbers improved. Monitoring and measuring outcome is a vital component in understanding if we

are moving in the right direction. It also provides good guidance for improvements. Consolis works with a wide range of internal statistical information as part of the Health and Safety performance program. Three of these are the outcome on Lost Time Injury Frequency Rate (LTIFR), Total Recordable Injury Frequency Rate (TRIFR),

KPIs

	2022	2021
% of female employees in EMT (Executive Management Team)	25	25
% of female employees in Senior Management (EMT-1)	28	28
% of female employees in Consolis Group	9	8

Lost Time Injury Frequency Rate (LTIFR)

Target:	Less than 2
Performance 2022	4.8
Performance 2021	6.9

Total Registered Injury Frequency Rate (TRIFR)

Target:	Less than 2
Performance 2022	9.4
Performance 2021	13.7

and lead indicators such as risk and safety observations. In 2018/2019, targets were set to reach a LTIFR of 2 and a TRIFR of 6 by the end of 2023.

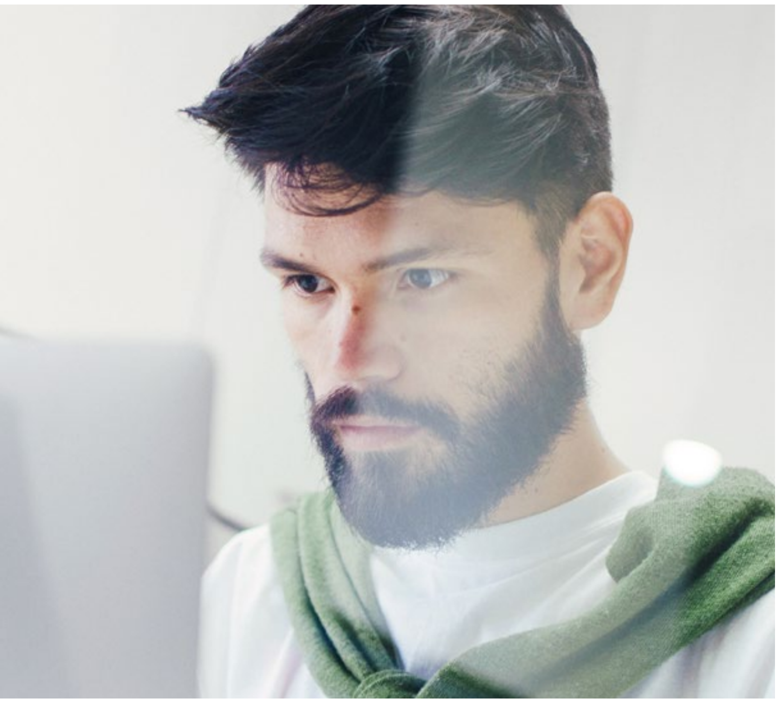
At the end of 2022, while some progress had been made, the original improvement plans made had not been fully implemented and we are still some distance from the target. This is partly due to impact from the changes in working environment during Covid-19 but also due to larger organizational changes in the Group. During 2022 our plans were updated, learnings from our progress during Covid-19 were integrated and we are on route to continue the work towards the targets.

Business ethics

As Consolis continues to strengthen its foundations and focus on its core business, it's equally important to stay focused on our commitment to integrity. We want to act ethically, always with respect for each other, our customers, our partners, and our environment. This serves to uphold the credibility and reputation of our company and is therefore an important lever of our operational sustainability. Moreover, compliance and ethics are key principles in how we do business, and an important part of who we are as a company.

What business ethics means to us

With operations in 17 countries, we are committed to running our business in accordance with high ethical standards and with transparency – no matter where we operate. This is as important for our customers, owners, and other stakeholders as it is for management and our current and future employees. We do not see business ethics as a pure legal compliance topic. Rather, it encompasses how we act in the workplace, how we behave while doing business on a global market, and how we interact with society at large. For us as a company, business ethics is a matter of principles and values. But it also has legal, financial, and operational ramifications.



For our employees, behaving in an ethical manner means to comply with applicable laws, to act in line with Consolis' policies and Code of Conduct, and to always respect relevant ethical principles. We all want to act ethically, but the world and our business environment is constantly evolving. We therefore place great importance on the training of our employees on essential compliance issues, and work to strengthen their capacity to handle these issues in their daily work. This is important to Consolis as a company, but it is also a way to protect our employees in a context where non-compliance with laws and regulations could jeopardize our employees' personal integrity. We had no legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant.

Code of Conduct and Policy Book

The foundation for how we work with compliance and business ethics can be found in our Code of Conduct and Consolis' Policy Book. Our Code of Conduct covers Human Rights and Employment, Health and Safety, Business Ethics and Environment, and it includes important principles for, among other topics, anti-trust, anti-bribery, and anti-money laundering.

The Code of Conduct reflects Consolis' values, our sustainability commitments, and international and national legislation. It also supports the ten principles of the UN Global Compact initiative as well as other international ethical guidelines.

In 2022, we revised Consolis' Code of Conduct and updated our Policy Book. The updates are meant to make these important documents more available to everyone concerned, and to better illustrate the importance of compliance and business ethics. To further illustrate this and show that business ethics is essential to all aspects

of our business, the release of our new compliance pack, containing the updated Consolis Policy Book and Code of Conduct, was presented internally by Consolis' CEO Mikael Stöhr.

In addition, the Consolis Code of Conduct principles have been translated into requirements for our suppliers in our Supplier Code of Conduct. Our Supplier Code of Conduct outlines minimum standards for our suppliers, in line with applicable laws and regulations, and forms an integral part of the relationship between Consolis and our suppliers.

Training and awareness

To make sure that all our employees across our markets know, understand, and adhere to our Policy Book and our Code of Conduct, we work with continuous training and awareness-building – both through in-person training and in the form of e-learning. In 2022 we have carried out three different e-learning related to the new Code of Conduct, competition & anti-trust, and anti-corruption. The training on the new Code of Conduct targets all Consolis employees and is carried out either electronically through our LMS platform or on site. The competition & anti-trust and anti-corruption training targets employees who could be particularly exposed to such issues due to their roles and assignments and was carried out electronically through our LMS platform. To complement the e-learning, we also carry out ad-hoc in-person training. As the rules and regulations are different in every country where we operate, these sessions are a way to adapt the trainings to a local and relevant context. They are also a way to promote further dialogue on these topics.

Whistleblowing system

Employees, customers, suppliers, partners, investors, and any other stakeholders of Consolis are encouraged to report any conduct (or potential conduct) that they believe is in breach of Consolis' Code of Conduct, the Supplier Code of Conduct, policies, or applicable laws and regulations. To facilitate and encourage reporting, we provide a whistleblowing channel hosted by a third-party service provider. The whistleblowing channel allows employees and other stakeholders to report any misconduct or potential misconduct anonymously, as long as this is allowed according to local law.

Results

We have decided to quantify the results of our efforts by measuring how many of our employees have taken part in our training and awareness-raising sessions. For 2022, the overall target was that 95 percent of Consolis' active employees[1] should take part in the e-learning and on-site training sessions concerning our updated Code of Conduct. This target was reached, as more than 99 percent of our employees participated in the training. Regarding the competition & anti-trust and anti-corruption e-learning, the overall target was also that 95 percent of Consolis' targeted active employees[1] should take part in the e-learning. This target was also reached since more than 99 percent of the selected employees completed the trainings.

1 Active employees excludes employees on extended leave

Contents

Governance

Governance
Consolis Holding S.A.S. (the "Company") is a French company created in 2007. The address of its registered office is 4 Rue du Général Foy, 75008 Paris. The consolidated financial statements comprise Consolis Holding S.A.S. and its subsidiaries. Consolis is organized in five segments: West Nordic, East Nordic, Western Europe, Eastern Europe, and Emerging Markets. With operations in 17 countries throughout the world, the Group generated EUR 1.3 billion in sales in 2022 excluding the assets that have been divested.

Consolis Holding S.A.S. is ultimately 94.72 percent owned by Bain Capital as of December 31, 2022. Bain Capital means Bain Capital, L.P. and its affiliates and, where applicable, the funds and limited partnerships are managed or advised by them. The remaining part is owned by other investors and management.

The members of the Supervisory Board are appointed by the shareholders of Consolis Holding S.A.S and are composed of a selection of representatives of the main shareholders and an independent member chosen for their general knowledge of the construction sector.

The Supervisory Board is responsible for the general supervision and control of the Company's affairs and administration by the CEO and the Executive Management Team. As part of this task, the Supervisory Board shall monitor the Company's purpose, value or mission statements, strategies, policies, and goals related to sustainable development, which are prepared by the Executive Management Team. Monitoring takes place within the framework of the regular Supervisory Board meetings. The Supervisory Board's prior authorization is required on certain strategic and important decisions.

The Supervisory Board includes two Co-Chairs, who have a co-leading role and are responsible for ensuring that the Supervisory Board's work is well organized and performed efficiently.

The Supervisory Board 2022

Pierre Brousse
Role in the Board: Co-Chairman
Year of birth: 1951
Education: Naval Officer, Law (Master), History (Master)
Elected to the board: 2017
Other board assignments: CFDA,Rocamat,FDBDA,Robert Renault, Peninsular Capital Management, Capit Muscas, Groupe Altrad, Chetaud, E-Capital II et III, PPERUS & CO
Previous experience: Marine Nationale Civil Service, Chairman CEO Financiera y Minera Group, Chairman CEO Cemig Sa.

Matthias Boyer Chammard
Role in the Board: Co-Chairman
Year of birth: 1980
Education: Harvard University, Ecole Polytechnique
Elected to the board: 2017
Other board assignments: House of HR, Inetum, MKM
Previous experience: The Boston Consulting Group

Philippe Kamel
Role in the Board: Supervisory Board member
Year of birth: 1993
Education: Master in Management – MIT Sloan; Master in Management – HEC Paris
Elected to the board: 2022
Other board assignments: Nidda Topco S.a.r.l. (STADA AG)
Previous experience: Private Equity Investor (Bain Capital) Management Consultant (Bain & Company)

Birgit W. Nørgaard
Role in the Board: Supervisory Board member (Independent)
Year of birth: 1958
Education: M.Sc. (Econ), MBA
Elected to the board: 2019
Other board assignments: Chairman Norisol A/S. Vice-chair NNE A/S, Danish Growth Capital I, Danish State's IT Council. Non-Executive Director WSP Inc., NCC AB, DSV A/S, ABP Plc., RGS Nordic A/S, Danish Growth Capital II.
Previous experience: Has been a Non-Executive Director in many boards since 1994.
Executive Career: 2006-2020 CEO Grontmij|Carl Bro A/S, 2003-2006 CEO The Carl Bro Group A/S, 2001-2003 Group Executive Director, The Carl Bro Group A/S, 2000-2001 VP, TDC Mobile International, 1993-2000 EVP Danisco Distillers A/S, 1990-1993 VP M&A and Bus. Dev. Danisco A/S, 1984-1990, Consultant, Mckinsey & Co.

Committees of the supervisory board
According to the terms and conditions of the articles of association of the Company, the Supervisory Board may set up committees, including but not limited to
(i) an Operating Committee,
(ii) a Compensation and Nomination Committee,
(iii) an Audit Committee and
(iv) a Strategy and M&A committee, that shall look into issues that the Supervisory Board may submit to them, for information purposes and whose rules and regulations are established by the Supervisory Board.

The Supervisory Board has established an Audit Committee and a Compensation and Nomination Committee. The major tasks of these committees are preparatory and advisory, but the Supervisory Board may delegate decision-making powers on specific issues to the committees.

The Audit Committee supports the Supervisory Board in monitoring that the Company and the Group are organized and managed in such a way that their respective accounts, management of funds and financial conditions in all aspects are controlled in a satisfactory manner in accordance with laws, rules and regulations as well as internal governing documents. The Audit Committee is composed of some members of the Supervisory Board and one independent member. Report of critical concerns is made to the Audit Committee on a yearly basis. Six cases were reported in the Alert Channel in 2022. After analysis, none was considered as critical.

The Compensation and Nomination Committee's primary task is to prepare the Supervisory Board's proposal concerning guidelines for remuneration for the CEO and the Group Management. The Compensation and Nomination Committee monitors and evaluates the applied remuneration structure and remuneration levels in the Group for the CEO and the Group Management. The Head of Human Resources and the CEO participate in the Compensation and Nomination Committee meetings.

External auditor
PricewaterhouseCoopers (PwC) is the external auditor of the Company. The external audit is conducted in accordance with the International Standards on Auditing (ISA) and generally accepted auditing standards in France. Audits of local statutory financial statements for legal entities are performed as required by law or applicable regulations in the respective countries and as required by IFAC GAAS, including issuance of audit opinions for the various legal entities.

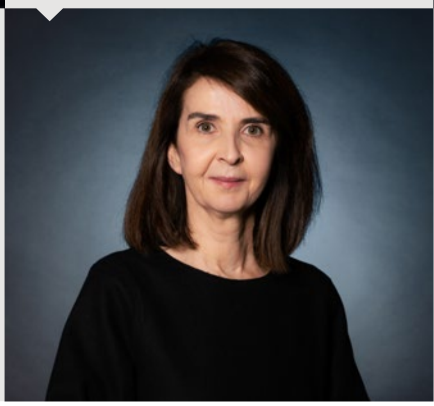
Executive Management Team
The Executive Management Team includes the CEO, the four functional heads (CFO, Operational Development, HR & Communication, General Counsel) and the seven Managing Directors (Finland & Baltics, Sweden, Norway & Denmark, the Netherlands, Eastern Europe, Spain and Emerging Markets). The Supervisory Board appoints the CEO, who in turn appoints members of the Executive Management Team. The CEO shall administer the Company's and the Group's ongoing operations under the supervision of the Supervisory Board. The Executive Management Team holds monthly meetings to review the previous month's results, to update forecasts and plans, and more generally to discuss Group matters and strategic issues. The CEO reports to the Supervisory Board and ensures that the Supervisory Board receives the information required to be able to properly monitor the affairs of the Company and the Group.

Executive Management team

Daniel Warnholtz
Chief Financial Officer since 2020.
Born: 1973
Master of Science
Group CFO and Deputy CEO, Ambea (Publ), 2011–2020
CFO, Vice President, Sweden and later Nordic market, AstraZeneca, 2007–2011
Various global management positions, Procter & Gamble, 1996–2007
Other assignments:
Board member Grenache AB

Mikael Stöhr
Chief Executive Officer since 2020.
Born: 1970
Master of Law
President & CEO, Coor (Publ), 2013–2020
President & CEO, Green Cargo, 2010–2013
President & CEO, AxIndustries, 2005–2010
Prior to the above: Consultant McKinsey & Company and lawyer at Mannheimer Swartling
Other assignments: None

Liselotte Bergmark
Chief Human Resources Officer since 2021.
Born: 1966
Master of Science
Head of Group Human Resources, Medicover (Publ), 2018–2021
Executive VP and Head of HR, Dometic (Publ), 2015–2018
Executive VP and Head of HR, Sanitec Group (Publ), 2014–2015
VP Management and Organizational Development, Telia Group (Publ), 2008–2014
Senior HRD SCA Group.
Other assignments:
Board member Artipelag AB



Emmanuelle Cochard
General Counsel since 2006.
Born: 1969
Master of Law
Private legal practice at Wilde Sapte, Ayache & Ixis CIB, 1995–2005
Other assignments: None

Stefan Rinaldo
SVP, Operational Development since 2020.
Born: 1963
Bachelor of Science
COO and Deputy CEO, Alimak Group (Publ), 2016–2020
CFO & SVP Operational Development, Alimak Group (Publ), 2007–2016
Various global management positions, ABB, 1987–2007
Other assignments: None

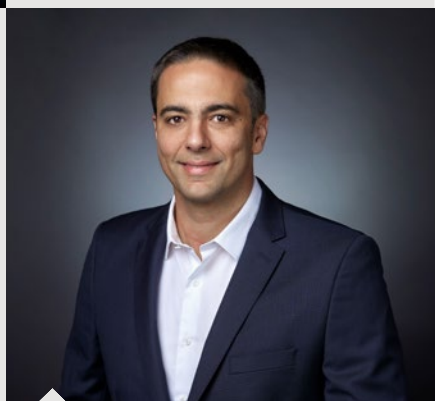
Bogdan Bulgaria
Managing Director Eastern Europe since 2017.
Born: 1971
Master of Science. Joined Consolis in 2012.
Managing Director, Megaprofil Romania, 2011–2012
Industrial Operations Director, Lafarge Romania, 2008–2011
Sales Director Eastern Europe, Saint Gobain Romania, 2004–2008
Other assignments: Vice-President of Prefbeton, Branch Association of Precast Producers from Romania

Stefan Ohlsson
Managing Director Sweden since 2020.
Born: 1972
Master of Science. Joined Consolis in 2017.
Head of Project Management Office, Swedavia, 2014 – 2017
Chief Engineer, Swedish Defense Material Administration (FMV),
AK Led, Teknisk Ledning, 2012 – 2014
Other assignments: Board member Swedish Concrete Association.

Eduard van der Meer
Managing Director Netherlands & Germany since 2010.
Born: 1960
MBA & Master of Science
Interim Manager at Tennet, 2009–2010
General Manager at Eneco, 2003–2008
General Manager at GMB, 1992–2002
Project & Process Engineer at Dow Chemical, 1988–1992
Other assignments: None

Nermine Safraou
Managing Director Emerging Markets since 2021.
Born: 1981
Master of Science. Joined Consolis in 2017.
Supply Chain Director, LafargeHolcim Morocco, 2016–2017
Head of CEO Office, LafargeHolcim, 2013–2016
Other assignments: None

Magnus Ström
Managing Director Denmark & Norway since 2019.
Born: 1970
Bachelor of Science.
Group Vice President ABB Power Grids, Site Manager ABB Ludvika, 2017–2019
CEO, Liljedahl Bare wire, Helsingborg Sweden, 2016
Senior Vice President, Head of ABB Transformers, Sweden, 2011–2016
Other assignments: None



Hannu Tuukkala
Managing Director Finland & the Baltics since 2011.
Born: 1965
Master of Science.
Commercial director Fenestra Group, 2008–2011
Vice President Metsäliitto Finnforest, 2001–2008
Other assignments:Finnish Construction Industries, Building Products (RTT) - Board of Directors
Finnish Concrete Association – Vice Chairman of the Board

Marcelo Monteiro de Miranda
Managing Director Spain since 2018.
Born: 1977
MBA & Master of Science.
CEO, Precon Engenharia, 2010–2018
Other assignments: Board of the Conscious Capitalism association in Brazil, Board of the Brazilian Association for HR in Brazil, Board of the social impact start up in Brazil – Se Candidate Mulher, Board of the fintech start up in Brazil Vanq.

Comments to the financial statements

Operations
Consolis is a leading European manufacturer of precast concrete elements. By the help of 8,101 FTEz, we operate across 17 countries divided into 5 operational regions: West Nordic (Sweden, Denmark, Norway), East Nordic (Finland, Estonia, Latvia, Lithuania), Western Europe (Germany, Netherlands, Spain). Eastern Europe (Romania, Hungary, Poland) and Emerging Markets (Egypt, Tunisia, Indonesia, France (activities in France primarily consist of products like our Emerging Markets business). Across these 5 regions Consolis design, produce and assemble precast concrete elements into core building structures for contractors, developers, and investors in the public and private non-residential and residential construction end-markets. In the Emerging Markets segment Consolis also delivers infrastructure utilities such as pressure pipes used in water supply, irrigation, sewage systems and power stations. Through these offerings Consolis supports our end customers in developing and building communities for centuries to come.

Net Sales
Net sales from continued operations amounted to € 1,295 million (1,106), corresponding to 17 percent sales growth. Pricing actions across all markets have positively impacted our topline, while exchange rates had a negative impact of 1.4 percent.

Operating profit
Operating profit for 2022 amounted € 18.4 million (37.3) corresponding to an operating profit margin of 1.4 per cent (3.4). Exchange rate fluctuation had an effect of -6.9 on adjusted EBITDA compared to 2021. During 2022 Consolis saw operating profit drop due to a few different factors.

i) During 2022 we were challenged by the increasing cost prices and our ability to pass this increase on to customers.
ii) In 2021 we released provisions of € 7.9 million compared to € 1.4 million in 2022 effecting comparability
iii) In 2021 we had a positive effect from pension schemes in the Netherlands of € 7.8 million

Financial items, profit before tax and profit for the year
Net of financial income and expenses amounted € 38.1 million (35.9) primarily driven by higher financing volumes and increasing base rates in the year. Profit/(Loss) before tax for the year from continues operations amounted minus € 19.8 million (compared to € 1.4 million positive in 2021). Income tax for the year amounted € 10.8 million (12.7) leaving Consolis with a net profit /(loss) from continues operations of minus € 30.6 million for 2022 (minus € 11.3 million in 2021)

Total Assets
Total assets at year-end 2022 were € 842.2 million (927.6). The decrease is primarily explained by the divestment of Bonna Sabla that in 2021 was still held as asset for sale with an amount of € 51.2 million.

Net Debt
Net debt increase to € 430.1 million in 2022 (407.2) driven by the lower result of the business decreasing cash and cash equivalents.

Cash Flow
Cash flow from operting activites amounted to € 38.7 million (16.0) Capital expenditures amounted to € 17.1 million (26.0), resulting from the strong control we maintained on investments in this period of uncertainty. Total cash flow from the year amounted to -€ 3.3 million (24.8).

Liquidity and Capital Resources
Historically, our primary source of liquidity has been our cash flows from operations as well as credit made available to us. Our primary cash needs relate to capital and other expenditures for funding our working capital requirements, maintaining our manufacturing facilities, and meeting debt service requirements. We believe that, based on our current cash flows, these sources of liquidity, together with available borrowings under the Senior Secured notes and the Revolving Credit Facility, will be sufficient to fund our operations, capital expenditure and debt service for at least the next twelve months.

Order book
We use our order book as a key metric in measuring business activity and making business decisions. Our order book reflects orders received but not yet produced, invoiced, or delivered, and which we expect to report as net sales after such orders are produced, invoiced, or delivered. Our order book provides us with forward-looking revenue visibility, since most tenders in the construction industry are initiated six to 12 months in advance. We book a contract in our order book after a contract has been signed.

At end of 2022 Consolis order book was € 674 million compared to € 925 million by end of 2021. During 2022 we consumed orderbook in most of our segment as the pent-up demand post covid-19 built our order book during 2021 and this demand flattened out during 2022. During the second half of 2022 we also saw an accelerated drop in demand in especially the residential segment in our West Nordic and East Nordic segment which further slowed our ability to build new orderbook. Although this, our order book by end of 2022 is stable and in line with years prior to 2021.

Segments

East Nordic
Net sales amounted to € 329 million (267) corresponding to a sales growth of 24 percent. The adjusted EBITDA in the period was € 15.3 million (12.5) corresponding to a margin of 4.6 percent (4.7), stable vs. last year. 2022 in East Nordics was driven by a good demand for our products in Finland. In Baltics a part of sales has historically been cross boarder to Sweden and Finland, and this part of the business was for 2022 affected by the increasing costs for transportation and towards Sweden the weakening Swedish Krona.

West Nordic
Net sales amounted to € 436 million (402), corresponding to a sales growth of 9 percent. The adjusted EBITDA in the period was € -3.8 million (7.8) corresponding to a margin of -0.9 percent (1.9). Currency effects were 3 percent negative on net sales and 6 percent negative on adjusted EBITDA. West Nordic region had a challenging 2022 as we in these markets where not able to offset the raw material price increases in the same pace as in our other segments due to that we in these markets generally have a longer order book which means that the pricing impacts during 2022 was delayed.

East Europe
Net sales amounted to € 109 million (89), corresponding to a sales growth of 23 percent, of which 27 percent organic and minus 4 percent currency effects. The adjusted EBITDA in the period was € 12.5 million (6.7) corresponding to a margin of 11.4 percent (7.5). In 2022 we saw our East Europe segment grow with high demand for our products across all three markets.

West Europe
Net sales amounted to € 310 million (256). Sales growth was 21 percent adjusted for discontinued operations in the Netherlands which was € 4.7 million in 2021. The adjusted EBITDA in the period was € 33.8 million (33.5) corresponding to a margin of 10.9 percent (13.1). 2022 was a stable year in this region and we managed to handle the price increases in absolute profitability, although this meant slight dilution of percentage margin compared to 2021.

Emerging Markets
Net sales amounted to € 136 million (122), corresponding to a sales growth of 11 percent, of which 12 percent was organic and minus 1 percent currency effects. The adjusted EBITDA in the period was € 20.4 million (21.0) corresponding to a margin of 15.0 percent (17.2). 2022 closed strong for Emerging Markets primarily driven by very strong activity in Egypt, although multiple devaluation of Egyptian Pound, and moderate activity across rest of segment.

Significant events during the year
Consolis completed the sale of its Civil Works France business to EIM Capital on January 31, 2022, through the disposal of Bonna Sabla S.A. and its subsidiaries. On June 30 2022, a real estate asset transaction was completed for an amount slightly above € 20 million, covering the remaining cash out related to the sale.

In July, Consolis entered a new term facility in a principal amount of € 30 million, thus securing additional liquidity headroom for the Group.

Consolidated Income Statement

€ in millions	Note	2022	2021
Net sales	3,4	1,295.4	1,106.1
Cost of goods sold	5,6,8	(1,064.7)	(888.3)
Production overheads	5,6,8	(86.5)	(76.1)
Gross Profit	5,6,8	**144.2**	**141.8**
Sales and marketing expenses	5,6,8	(26.0)	(29.2)
Administrative expenses	5,6,7,8	(79.9)	(70.9)
Research and develompent expenses	5,6,8	(6.6)	(4.9)
Other income and expenses	9	(13.4)	0.6
Operating profit		**18.4**	**37.3**
Financial income	10	3.2	3.4
Financial expenses	10	(41.3)	(39.3)
Profit after financial items		**(19.8)**	**1.4**
Income tax	11	(10.8)	(12.7)
Net profit/(loss)		**(30.6)**	**(11.3)**
Net profit/(loss) from discontinued operations	12	16.1	(1.0)
Net profit/(loss)		**(14.5)**	**(12.3)**
Net profit/(loss) for the period attributable to:			
Equity holders of the Parent Company		(17.9)	(16.6)
Non-controlling interest		3.5	4.3
Net profit/(loss)		**(14.5)**	**(12.3)**
Earnings per share	13		
Before dilution, €		(0.04)	(0.03)
After dilution, €		(0.04)	(0.03)
Earnings per share from continued operations, before and after dilution, €		(0.06)	(0.02)
Earnings per ordinary share from discontinued operations, before and after dilution, €		0.03	(0.00)
Average number of shares			
Before dilution, thousands		489,462	478,212
After dilution, thousands		489,462	478,212

Consolidated comprehensive income statement

(€ in millions)	Note	2022	2021
Net profit/(loss)		**(30.6)**	**(11.3)**
From continued operations:			
Other comprehensive income/(loss)			
Items that will not be reclassified to the income statement:			
Remeasurement of defined benefit pension plans	25	2.9	3.1
Tax	11	(0.7)	(0.4)
Total items that will not be reclassified to the income statement, net of tax		**2.2**	**2.7**
Items that subsequently may be reclassified to the income statement:			
Currency translation differences		(16.5)	1.9
Total items that subsequently may be reclassified to the income statement, net of tax		**(16.5)**	**1.9**
Other comprehensive income, net of tax		**(14.3)**	**4.6**
Total comprehensive income from continued operations		**(44.9)**	**(6.7)**
From discontinued operations:			
Net profit/(loss)		16.1	(1.0)
Other comprehensive income, net of tax		-	2.1
Total comprehensive income from discontinued operations		**16.1**	**1.1**
Total comprehensive income		(28.8)	(5.7)
Total comprehensive income attributable to:			
Equity holders of the Parent Company		(27.8)	(11.2)
Non-controlling interest		(0.9)	5.7
Total comprehensive income		**(28.8)**	**(5.7)**

Consolidated statement of financial position

(€ in millions)	Note	2022-12-31	2021-12-31
Assets			
Non-current assets	1		
Goodwill	14	191.1	204.6
Other intangible assets	15	53.4	57.8
Property, plant and equipment	16	152.9	178.1
Rights-of-use assets	17	71.4	58.4
Deferred tax assets	11	2.3	4.6
Other assets	18	14.4	14.2
Total non current assets		**485.5**	**517.7**
Current assets	1		
Inventories	19	66.0	61.3
Accounts receivable	20	137.5	141.4
Accrued income	4	56.5	58.1
Current tax receivabels		1.7	1.4
Prepaid expenses		8.2	8.9
Other receivables	21	40.9	35.7
Cash and cash equivalents	22	46.0	51.8
Assets classified as held for sale	12	-	51.2
Total current assets		**356.8**	**409.9**
Total assets		**842.2**	**927.6**
Equity and liabilities			
Equity	1		
Equity attributable to equity holders of the Parent Company:			
Share capital	23	195.8	191.3
Other contributed capital	23	225.6	212.1
Reserves	23	(34.5)	(22.3)
Retained earnings [1]	23	(421.1)	(405.4)
Total equity attributable to equity holders of the Parent Company		**(34.2)**	**(24.3)**
Non-controlling interests		11.0	17.4
Total equity		**(23.2)**	**(6.9)**
Non-current liabilities	1		
Interest-bearing liabilities	24	338.8	328.0
Lease liabilities	24	53.2	54.4
Employee benefit obligations	25	16.3	20.6
Provisions	26	10.7	11.2
Deferred tax liabilities	11	11.0	12.1
Other liabilities		1.0	1.1
Total non current liabilities		**431.1**	**427.3**
Current liabilities	1		
Interest-bearing liabilities	24	66.9	59.1
Lease liabilities	24	17.3	17.5
Accounts payable		127.2	133.0
Advances from customers	4	78.7	71.2
Provisions	26	5.4	5.8
Income tax payables		8.0	5.3
Accrued expenses	27	35.3	23.3
Other liabilities	28	95.6	102.5
Liabilities classified as held for sale	12	-	89.5
Total current liabilities		**434.4**	**507.2**
Total equity and liabilities		**842.2**	**927.6**

[1] Opening balance as of January 1, 2021 have been restated with € 8.1 million to reflect a prior year adjustment related to accounting for deferred taxes. This does also impact 2022 opening balance.

Consolidated statement of cash flows

(€ in millions)	Note	2022-12-31	2021-12-31
Cash flow from operating activities			
Profit after financial items		(19.8)	1.4
Non cash items		86.8	59.9
Depreciation/amortization and impairment		51.6	47.5
Interest net		38.2	35.9
Other non-cash items		(2.9)	(23.6)
Taxes paid		(8.3)	(6.3)
Cash flow from working capital		(9.9)	(8.9)
Cash flow from operating activities – continued operations		**48.8**	**46.1**
Cash flow from operating activities – discontinued operations		(10.1)	(30.0)
Cash flow from operating activities		**38.7**	**16.0**
Cash flows from investing activities			
Investments in property, plant and equipment	16	(15.3)	(21.3)
Investments in intangible assets	14,15	(1.8)	(4.7)
Sale of non current assets		2.3	2.0
Divestments of subsidiaries/operations		(8.4)	114.8
Investments and divestments of financial assets		1.0	1.4
Cash flow from investing activities – continued operations		**(22.2)**	**92.2**
Cash flow from investing activities – discontinued operations		(0.1)	(5.2)
Cash flow from investing activities		**(22.3)**	**87.0**
Financing activities			
Proceeds from borrowings		121.3	257.2
Repayment of borrowings		(81.1)	(340.6)
Repayment of lease liabilities		(16.2)	(18.3)
Net proceeds from factoring		(4.1)	21.0
Change in other financial liabilities		(37.6)	(40.1)
Dividends paid to non-controlling interests		(2.4)	(1.3)
Cash flow from financing activities – continued operations		**(20.2)**	**(122.1)**
Cash flow from financing activities – discontinued operations		0.5	(5.8)
Cash flow from financing activities		**(19.7)**	**(127.9)**
Cash flow for the year		**(3.3)**	**(24.8)**
Cash and cash equivalents at beginning of the year		**51.8**	**80.3**
Cash flow for the year – continued operations		6.5	16.2
Cash flow for the year – discontinued operations		(9.8)	(40.9)
Cash classified as held for sale		-	(4.5)
Exchange rate differences on cash and cash equivalent		(3.5)	0.7
Bank overdraft	22	1.1	0.0
Cash and cash equivalents at end of the period	22	**46.0**	**51.8**

Consolidated statement of changes in equity

	Attributable to equity holders of the Parent Company						
	Share Capital	Share Premium	Reserves	Retained Earnings [1]	Share-holders' Equity	Non-Controlling Interests	Total Equity
Opening balance January 1, 2021	**191.3**	**212.1**	**(24.3)**	**(396.1)**	**(17.0)**	**16.5**	**(0.5)**
Net profit/(loss)	-	-	-	(16.6)	(16.6)	4.3	(12.3)
Remeasurement of defined benefit pension plans	-	-	-	4.1	4.1	-	4.1
Currency transaltion differences	-	-	2.0	-	2.0	1.3	3.3
Tax	-	-	-	(0.8)	(0.8)	-	(0.8)
Other comprehensive income/(loss)	**-**	**-**	**2.0**	**3.3**	**5.4**	**1.3**	**6.7**
Total comprehensive income/(loss)	**-**	**-**	**2.0**	**(13.3)**	**(11.2)**	**5.7**	**(5.7)**
Transaction with owners							
Dividend	-	-	-	-	-	(0.7)	(0.7)
Others	-	-	-	3.9	3.9	(4.0)	(0.1)
Closing balance December 31, 2021	**191.3**	**212.1**	**(22.3)**	**(405.4)**	**(24.3)**	**17.4**	**(6.9)**

Opening balance January 1, 2022	**191.3**	**212.1**	**(22.3)**	**(405.4)**	**(24.3)**	**17.4**	**(6.9)**
Net profit/(loss)	-	-	-	(17.9)	(17.9)	3.5	(14.5)
Remeasurement of defined benefit pension plans	-	-	-	2.9	2.9	-	2.9
Currency translation differences	-	-	(12.1)	-	(12.1)	(4.4)	(16.5)
Tax	-	-	-	(0.7)	(0.7)	-	(0.7)
Other comprehensive income/(loss)	**-**	**-**	**(12.1)**	**2.2**	**(9.9)**	**(4.4)**	**(14.3)**
Total comprehensive income/(loss)	**-**	**-**	**(12.1)**	**(15.7)**	**(27.8)**	**(0.9)**	**(28.8)**
Transaction with owners							
Dividend	-	-	-	-	-	(5.5)	(5.5)
Shareholder contribution	4.5	13.5	-	-	18.0	-	18.0
Closing balance December 31, 2022	**195.8**	**225.6**	**(34.5)**	**(421.1)**	**(34.2)**	**11.0**	**(23.2)**

[1] Opening balance as of January 1, 2021 have been restated with € 8.1 million to reflect a prior year adjustment related to accounting for deferred taxes. This does also impact 2022 opening balance.

Notes to the consolidated financial statements

1 Significant accounting principles

Basis of preparation
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting principles set out below have been consistently applied to all periods presented, unless otherwise stated, and for all entities included in the consolidated financial statements. The annual report for the Group, was approved for issuance on April 20, 2023.

New accounting principles 2022
When preparing this annual report Consolis have considered the amendments to IAS 1 and removed some accounting policies that are not specific to Consolis. No other new or revised accounting standards or interpretations effective from January 1, 2022 have significantly affected the Consolis Group's financial statements.

New accounting principles 2023 and later
A number of new and revised accounting standards and interpretations have been published and is effective from 2023 and later. Among these are IFRS 17 Insurance Contracts which will replace IFRS 4, the current standard for insurance contracts. Consolis are currently reviewing the potential impact from the amendment of IAS 12 related to deferred taxes related to lease liabilities and right of use assets, but assess the net impact to be limited. The new and revised accounting standards or interpretations are not expected to have a material impact on the Consolis Group's financial statements.

Basis of consolidation
The consolidated financial statements have been prepared in accordance with the acquisition method. Accordingly, business combinations are seen as if the Group directly acquires the assets and assumes the liabilities of the entity acquired. The consolidated income statements and balance sheets of the Group include all entities in which the Company, directly or indirectly, has control. Control exists when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to use its power to affect its returns. Generally, control and hence consolidation is based on ownership. See note 32 for information on the Group's subsidiaries. Intra-group balances and internal income and expense arising from intragroup transactions are fully eliminated in preparing the consolidated financial statements.

Business combinations
At the acquisition date, i.e. the date on which control is obtained, each identifiable asset acquired and liability assumed is recognized at its acquisition-date fair value. The consideration transferred, measured at fair value, includes assets transferred by the Group and liabilities to the former owners of the acquiree in exchange for control of the acquiree. Any subsequent change in such fair value is recognized in profit or loss, unless the contingent consideration is classified as equity. Transactions costs that the Group incur in connection with a business combination are expensed as incurred. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree (if any) over the net of acquisition-date fair value amounts of the identifiable assets acquired and liabilities assumed.
Non-controlling interest is initially measured either

- at fair value, or
- at the non-controlling interest's proportionate share of the fair value of identifiable net assets.

Subsequent profit or loss attributable to the non-controlling interest is allocated to the non-controlling interest, even if it puts the non-controlling interest in a deficit position. Acquisitions of non-controlling interests are recognized as a transaction between equity attributable to owners of the parent and non-controlling interests. The difference between consideration paid and the proportionate share of net assets acquired is recognized in equity.

Functional currency and foreign currency translation
The consolidated financial statements are presented in Euro (EUR), which is the presentation currency for the Group's financial reporting. Unless otherwise stated, the amounts presented are in million Euro (MEUR). Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary items carried at historical cost are reported using the exchange rate at the date of the transaction and non-monetary items carried at fair value are reported at the rate that existed when the fair values were determined. Tangible and intangible assets, inventory and advanced payments are examples of non-monetary items. Receivables and liabilities and other monetary items denominated in foreign currencies are translated using the foreign exchange rate at the balance sheet date.
In the consolidation, the balance sheets of foreign subsidiaries are translated to EUR using exchange rates at the end of the reporting period and the income statements are translated at the average rates for the reporting period. Foreign exchange differences arising on such translation are recognized in "Other comprehensive income" and are accumulated in the currency translation reserve in equity. Exchange rates for major currencies that have been used for the consolidated financial statements are shown in note 29.

Segment reporting
An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, and for which discrete financial information is available. The operating results of all operating segments are reviewed regularly by the Group's President and CEO, the chief operating decision maker, to make decisions about allocation of resources to the segments and also to assess their performance. See note 3 for additional information.

Revenue recognition
Consolis's net sales comprises of precast concrete elements for the building sector and pressure pipes. Consolis's product offering includes pre-stressed hollow cores, facades, walls, roofing beams, beams, columns and stairs, that can be shaped into a wide range of modular structures. Consolis delivers its products through three steps: Design, Production and Assembly.
IFRS 15 Revenue from Contracts with Customers describes a five-step model that deals with the entire revenue chain. For Consolis, the model is as follows:

1.Identify the contract with customer
Consolis identifies a binding order confirmation or customer contract with a costumer such as real estate developer (building) or state-owned company (utilities).

2.Identify the performance obligations in the contract
For Consolis, the customer contract generates an asset (a right, that is a promise to receive compensation) and a liability (an obligation, that is a promise to transfer goods and services). Consolis's various obligations to its customers are not distinct and are viewed as one performance obligation in the form of transferring elements, sometimes combined to a modulate structure.

3. Determine the transaction price
The transaction price is a stipulated in the order confirmation or in the contract. Consolis's customers pay advances at various points in the process and to varying extents depending on the market. Advance payments are conditional on the completion of Consolis's performance obligation and thus do not affect Consolis's assessment that the performance obligation is fulfilled only when the elements/modulate structure are delivered and, if applicable, assembled.

4. Allocate the transaction price to the performance obligation
This step is not applicable as Consolis only has a single performance obligation to its customers

5. Recognize revenue when a performance obligation is satisfied
For custom contracts, the Group determined that it generally transfers control of products manufactured and services performed over time as the products / services do not have an alternative use and the Group has an enforceable right to payment for the work performed in the event the

contract is terminated by the customer for reasons other than the Group's failure to perform its obligations. The project typically have a execution time from 3-24 months. Percentage of completion is based on the ratio between costs incurred to date and estimated total costs at completion.Revenues are recognized applying a calculated margin to costs incurred. For further information refer to note 4.

Other income and expenses from operations

Other income and expenses from operations are reported on a separate line of the consolidated income statement. They are defined as "items that are limited in number, clearly identifiable and that have a material impact on the consolidated results".

The classification is applied to certain material items of income and expenses that are unusual in terms of their nature and frequency, such as impairment charges, restructuring and transformation costs and, acquisition costs.

Gains and losses on disposals of an item of non-current tangible and intangible assets are determined by comparing the proceeds from disposal with the carrying amount.

For further information see note 9.

Government grants

Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attached to the grants and that the grants will be received. Government grants related to expenses are recognized in the consolidated income statement as a deduction of the associated expenses. If the grants cannot be allocated to an associated expense, government grants are recognized in "Other operating income". Government grants related to assets are recognized as a deduction in arriving at the carrying amount of the asset and recognized as revenue over the useful life of the asset through a reduction of the depreciation expense.

Financial income and expenses

Interest income and interest expenses are recognized in profit or loss using the effective interest rate method.

Income taxes

Income taxes include both current and deferred taxes. Income taxes are reported in profit or loss unless the underlying transaction is reported in "Other comprehensive income" or in "Equity", in which case the corresponding tax is reported according to the same principle. A current tax liability or asset is recognized for the estimated taxes payable or refundable for the current year or prior years.

Deferred tax is recognized using the balance sheet liability method. The calculation of deferred taxes is based on differences between the values reported in the balance sheet and their valuation for taxation, which are referred to as temporary differences, and the carry forward of unused tax losses and tax credits. Temporary differences attributable to the following assets and liabilities are not provided for:

- the initial recognition of goodwill,
- the initial recognition (other than in business combinations) of assets or liabilities that affect neither accounting nor taxable profit,
- differences related to investments in subsidiaries, associated companies and joint ventures to the extent that they will probably not reverse in the foreseeable future, and for which the Company is able to control the timing of the reversal of the temporary differences.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. In the calculation of deferred taxes, enacted or substantively enacted tax rates are used for the individual tax jurisdictions. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The opening balance for 2021 have been adjusted with EUR 8.1 million, related to reporting of deferred tax assets attributed to tax losses carried forward, that previously have been capitalized. These tax assets were netted toward deferred tax liabilities, hence the impact is noted among deferred tax liabilities.

Discontinued operations

In the annual reports for 2020 and 2021, assets and liabilities related to rail business (2020) and Civil Works France business (2020 and 2021) were classified as held for sale. The Rail transaction was completed in March 2021 and the Civil works France transaction was completed in January 2022.

In the consolidated financial statements, discontinued operations are presented as follows:

- The assets held for sale and associated liabilities are presented separately from the Group's other assets and liabilities on specific lines in the consolidated statement of financial position as of December 31, 2021. They have been measured at the lower of their carrying amount and fair value less costs to sell.
- The net profit for the year is reported on a separate line in the consolidated income statement under "Net profit or loss from discontinued operations", and items of comprehensive income are presented separately.
- Cash flows are presented on separate lines in the consolidated statement of cash flow.
- Net result from divestment of Rail operations and Civil works France business are included in "Net profit or loss from discontinued operations".

Intangible assets

Goodwill

Goodwill is recognized at cost, as established at the date of acquisition of a business (see "Business combinations"), less accumulated impairment losses, if any. Goodwill is allocated to the cash-generating units (CGU) that are expected to benefit from the synergies of the business combination. Impairment testing is made at least annually and whenever the need is indicated. The impairment test is performed at the level on which goodwill is monitored for internal management purposes. Generally, each market has been identified as an individual CGU, for further details see note 14. Goodwill is reported as an intangible asset with indefinite useful life.

Other intangible assets

An intangible asset is recognized only when it is probable that future economic benefits that are attributable to the asset will flow to the Group and if the cost of the asset can be measured reliably. All other expenditures are booked as cost in the income statement when incurred.

Intangible assets with an indefinite useful life correspond to trademarks, given the leadership market position of these trademarks in their respective geographical area and in their respective business.

Research expenditures are recognised as an expense when incurred. Development costs are capitalized if and only if the project they relate to meets the following criteria:

- the intention exists to complete the project and to use or sell it;
- adequate technical and financial resources are available to complete the project;
- it is probable that the future economic benefits attributable to the project will flow to the Group.

Capitalized development costs are costs incurred directly attributable to the project, including an appropriate portion of relevant overheads. Capitalized development costs are amortized on a straight-line basis over the estimated useful life of the asset.

Other intangible assets of the Group mainly consist of on premise software licenses. These are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over the estimated useful life of the asset which ranges between 3 and 5 years.

Changes in the Group's other intangible assets during the year are described in note 15.

Property, plant and equipment

Items of property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost of an item of property, plant and equipment comprises purchase price, import duties, and any cost directly attributable to bringing the asset to the location and condition for use. The cost also includes dismantlement and removal of the asset in the future if applicable. The Group capitalizes costs on initial recognition and on replacement of significant parts of property, plant and equipment if it is probable that the future economic benefits embodied will flow to the Group and the cost can be measured reliably. All other costs are recognized as an expense in profit or loss when incurred.

Changes in the Group's property, plant and equipment during the year are described in note 16.

Depreciation and amortization
Depreciation and amortization are calculated based on cost using the straight-line method over the estimated useful life of the asset. Parts of property, plant and equipment with a cost that is significant in relation to the total cost of the item are depreciated separately when the useful lives of the parts do not coincide with the useful lives of other parts of the item. The following useful lives are used for depreciation and amortization:

Buildings and structures	10-40 years
Machinery and equipment	3-25 years

Land is not depreciated, except quarry which is amortized using the units-of-production method if effectively applicable.

Leases

Group as lessee

Recognition of a lease
Upon initiation, contracts are assessed by the Group, to determine whether a contract is, or contains a lease. If the contract conveys the right to control the use of an identified asset for a certain period of time in exchange for consideration, then it is or contains a lease. The right to control the use of an identifiable asset is assessed by the Group based upon if there is an identifiable asset, if the Group has the right to obtain substantially all economic benefits from the use of the asset and if the Group has the right to steer the use of the asset. The Group has elected to separate the non-lease components and apply a number of practical expedients with regard to short-term leases and leases for which the underlying asset is of low value.

Measurement of a right-of-use asset and lease liability

Right-of-use asset
On commencement date, the Group measures the right-of-use asset at cost, which includes the following: the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs incurred by the Group as well as an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the lease contract. Cost for dismantling, removing or restoring the site on which it is located and/or the underlying asset is only recognized when the Group incurs an obligation to do so. The right-of-use asset is depreciated over the lease term, using the straightline method. Changes in the Group's right-of-use asset during the year is described in note 17.

Lease liability
On commencement date, the lease liability is measured at the present value of the unpaid lease payments, discounted using the interest rate implicit in the lease, or if the rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the lease liability comprise of fixed payments, variable lease payments that depend on an index or a rate, amounts to be paid under a residual value guarantee and lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option as well as penalties for early termination of a lease, if the Group is reasonably certain to terminate early. The lease liability is measured at amortized cost by using the effective interest rate method. For additional information see note 24.

Short-term leases and leases for which the underlying asset is of low value The Group has elected to apply recognition exemptions for short-term leases and leases for which the underlying asset is of low value, for example office equipment such as printers and computers. Lease payments associated with those leases are recognized as an expense on a straight-line basis over the lease term.

Impairment of non-financial assets
The carrying values of the Group's non-financial assets are reviewed at least at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the Group estimates the recoverable amount of the asset. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount (i.e. the greater of fair value less costs to sell and value in use). In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of assessing impairment, assets are grouped in CGUs, which are the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment losses are recognized in profit or loss. An impairment loss related to goodwill is not reversed. In respect of other assets, impairment losses in prior periods are reviewed for possible reversal of the impairment at each reporting date.

Inventories
Inventories and work in progress are valued at the lower of cost and net realizable value. The value of inventories is determined by using the weighted average cost formula. Net realizable value is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to execute the sale at market value. The cost of finished goods and work in progress comprises raw material, direct labour, other direct cost and other related production overheads. Borrowing costs are not included in inventory. Appropriate provisions have been made for obsolescence.

Provisions
Provisions are recognized:
• when the Group has a legal or constructive obligation as a result of a past event,
• it is probable that the Group will have to settle the obligation, and
• the amount of the obligation can be estimated reliably.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, the provision is determined by discounting the expected future cash flows of estimated expenditures. Provisions for product warranties are recognized as cost of sales at the time the products are sold based on the estimated cost using historical data for level of repairs and replacements. A restructuring provision is recognized when the Group has approved a detailed and formal restructuring plan and the restructuring has either commenced or been announced publicly.

Present obligations arising under onerous contracts are recognized as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Before a provision is established, the Group recognizes any impairment loss on the asset associated with the contract, mainly project receivables. For details on provisions see note 26.

Post-employment benefits
Post-employment benefit plans are classified either as defined contribution or defined benefit plans. Under a defined contribution plan, the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts if the fund does not hold sufficient assets to pay all employee benefits. Contributions to defined contributions plans are expensed when employees provide services entitling them to the contribution.

Other post-employment benefit plans are defined benefit plans and it is the Group's obligation to provide agreed benefits to current and former employees. The net obligation of defined benefit plans is calculated by estimating the amount of future benefits that employees have earned in return for their services in current and prior periods. The amount is discounted to determine its present value and the fair values of any plan assets are deducted. Funded plans with net assets, i.e. plans with assets exceeding the commitments, are reported as financial non-current assets.

The cost for defined benefit plans is calculated using the Projected Unit Credit Method, which distributes the cost over the employee's service period. The calculation is performed annually by independent actuaries using actuarial assumptions such as employee turnover, mortality, future increase in salaries and medical cost. Changes in actuarial assumptions, experience adjustments of obligations and changes in fair value of plan assets result in remeasurements and are recognized in "Other comprehensive income". Net interest on defined benefit obligations and plan assets is reported as "Interest income" or "Interest expense". See note 25 for additional information.

Financial assets and liabilities – financial instruments

Recognition and derecognition
Financial assets and liabilities are recognized when the Group becomes a party to the contractual provision of the instrument. Transactions of financial assets are accounted for at trade date, which is the day when the Group contractually commits to acquire or dispose of the assets. Trade receivables are recognized on issuance of invoices. Liabilities are

recognized when the other party has performed and there is a contractual obligation to pay. Derecognition, fully or partially, of a financial asset occurs when the rights in the contract have been realized or matured, or when the Group no longer has control over it. A financial liability is derecognized, fully or partially, when the obligation specified in the contract is discharged or otherwise expires. A financial asset and a financial liability are offset and the net amount presented in the balance sheet when there is a legal right to offset the recognized amounts and there is an intention to either settle on a net basis or to realize the asset and settle the liability simultaneously. Gains and losses from derecognition and modifications are recognized in profit or loss.

Measurement of financial instruments
Financial instruments are classified at initial recognition. The classification decides the measurement of the instruments.

Classification and measurement of financial assets
Equity instruments: are classified at fair value through profit or loss (FVTPL).

Derivative instruments: are classified at FVTPL, unless they are classified as a hedging instrument and the effective part of the hedge is recognized in "Other comprehensive income".

Debt instruments: the classification of financial assets that are debt instruments, including hybrid contracts, is based on the Group's business model for managing the assets and the asset's contractual cash flow characteristics. The instruments within the Group are all classified at:

- amortized cost, or
- fair value through profit or loss (FVTPL)

Financial assets at amortized cost are at initial recognition measured at fair value including transaction costs. After initial recognition, they are measured at amortized cost using the effective interest rate method. Assets classified at amortized cost are held under the business model of collecting the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The assets are subject to a loss allowance for expected credit losses. Fair value through profit or loss (FVTPL) are all other debt instruments that are not measured at amortized cost. Financial instruments in this category are recognized at fair value at initial recognition and changes in fair value are recognized in profit or loss. The group does not hold any instruments classified as Fair value through Consolidated comprehensive income statement (FVOCI).

Classification and measurement of financial liabilities
Financial liabilities are classified at amortized cost, except derivatives. Financial liabilities at amortized cost are at initial recognition measured at fair value including transaction costs. After initial recognition, they are measured at the effective interest rate method.

Derivatives are classified at FVTPL, unless they are classified as a hedging instrument and the effective part of the hedge is recognized in "Other comprehensive income". Fair value for financial assets and financial liabilities is determined in the manner described in note 24.

Impairment of financial assets
For trade receivables, the Group applies the simplified approach in IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables. Expected credit losses are estimated by grouping trade receivables based on shared credit risk characteristics, days past due.

2 Critical estimates and judgements

The preparation of financial reports requires management's judgement and the use of estimates and assumptions that affects the amounts reported in the consolidated financial statements. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the prevailing circumstances. Actual result may differ from those estimates. The estimates and assumptions are reviewed on an on-going basis. Changes in accounting estimates are recognized in the period which they are revised in and in any future periods affected.

The estimates and the judgements which, in the opinion of management, are significant to the underlying amounts included in the financial reports and for which there is a significant risk that future events or new information could entail a change in those estimates or judgements are as follows:

Revenue recognition

Key sources of estimation uncertainty
Revenue for services and for highly customized goods where an enforceable right of payment is present is recognized over time in profit or loss by reference to the progress towards satisfaction of the performance obligation at the balance sheet date. The progress towards satisfaction is determined by the proportion of cost incurred to date compared to the estimated total cost of each performance obligation. There is always an uncertainty if the total estimated expenditure is correctly calculated, and if the expenditure incurred reflects accurately the actual costs incurred, which means that there is uncertainty in the estimates of the degree of completion of the work performed. Management has assessed this method of determining the progress towards satisfaction of the performance obligation as most suitable as it reflects the progression of work performed, and the enforceable right of payment from the customer as the costs are incurred on the performance obligations.

Accounting judgement
Management's judgement is used, for instance, when assessing:

- the degree of progress towards satisfaction of the performance obligations and the estimated total costs for such contracts when revenue is recognized over time, to determine the revenue and cost to be recognized in the current period, and whether any losses need to be recognized, the customer credit risk (i.e. the risk that the customer will not meet the payment obligation), to determine and justify the revenue recognized in the current period.

Impairment of goodwill, other intangible assets and other long-lived assets

Key sources of estimation uncertainty
Goodwill and certain trademarks are not amortized but are subject to annual tests for impairment. Other intangible assets and other long-lived assets are amortized or depreciated based on management's estimates of the period that the assets will generate revenue but are also reviewed regularly for indications of impairment.
The impairment tests are based on a review of the recoverable amount, which is estimated based on management's projections of future cash flows using internal business plans and forecasts.

Accounting judgement
Asset impairment requires management's judgement, particularly in assessing:

- whether an event has occurred that may affect asset values,
- whether the carrying value of an asset can be supported by the net present value of future cash flows, which are estimated based upon the continued use of the asset in the business,
- the appropriate assumptions to be applied in preparing cash flow projections, and
- the discounting of these cash flows.

Deferred taxes

Key sources of estimation uncertainty
Deferred tax assets are recognized for temporary differences between the carrying amounts for financial reporting purposes of assets and liabilities and the amounts used for taxation purposes and for tax loss carry-forwards. The Group recognizes deferred tax assets based upon management's estimates of future taxable profit in different tax jurisdictions. The actual results may differ from these estimates, due to change in the business climate and change in tax legislation.

Accounting judgement
When preparing the annual report for 2022 management used the balance sheet approach. Management identified certain historical tax assets that were deemed as obsolete. A further assessment indicated that these tax assets should have been derecognizes before 2020, hence adjustments were made toward opening balances, amounting to EUR 8.1 million. These tax assets were netted toward deferred tax liabilities, hence the impact is noted among deferred tax liabilities.

Leases

Key sources of estimation uncertainty
When the Group cannot readily determine the interest rate implicit in the lease, it uses incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available. The Group estimates the IBR by using market interest rates and adjusting with entity specific estimates such as currency and country risk.

Accounting judgement
The Group has several lease contracts that include extension options. The Group applies judgement in evaluating the lease term, it considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. For leases of premises, the following factors are normally the most relevant:

- if any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend.
- otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The renewal periods for leases of offices and warehouse premises with extension options exceeding 10 to 15 years are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, renewal options for leases of motor vehicles are not part of the lease term because the Group typically leases motor vehicles for not more than three to five years and, hence, is not exercising any renewal options.

After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to renew.

Pension and other post-employment benefit valuation assumptions

Key sources of estimation uncertainty
Pensions and other post-employment obligations are dependent on the assumptions established by management and used by actuaries in calculating such amounts. The key assumptions include discount rates, inflation, future salary increases, mortality rates, and healthcare-cost trend rates. The actuarial assumptions are reviewed on an annual basis and are changed when it is deemed appropriate. See note 25 for additional information regarding assumptions used in the calculation of pension and post-employment obligations.

Legal proceedings and tax claims

Accounting judgement
Consolis recognizes a liability when the Group has an obligation from a past event involving the transfer of economic benefits and when a reasonable estimate can be made of what the transfer might be. The Group reviews outstanding legal cases regularly in order to assess the need for provisions in the financial statements. These reviews consider the factors of the specific case by internal legal counsel and through the use of outside legal counsel and advisors when necessary. The financial statements may be affected to the extent that management's assessments of the factors considered are not consistent with the actual outcome. Additionally, the legal entities of the Group are frequently subject to audits by tax authorities in accordance with standard practice in the countries where the Group operates. In instances where the tax authorities have a different view on how to interpret the tax legislation, the Group makes estimates as to the likelihood of the outcome of the dispute, as well as estimates of potential claims. The actual results may differ from these estimates.

3 Segment reporting

West Nordic
Building operations in Sweden, Denmark and Norway. Segment products include hollow core floors, structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) and residential (multi-family housing) building solutions.

East Nordic
Building operations in Finland and the Baltics. Segment products include hollow core floors, structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) and residential (multi-family housing) building solutions.

Western Europe
Building operations in the Netherlands, Germany and Spain. Segment products include hollow core floors and structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing (the Netherlands) and assembly of non-residential (public buildings, offices, industrial and logistics sites) building solutions.

Eastern Europe
Building operations in Poland, Romania and Hungary. Segment products include hollow core floors, structural elements, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) building solutions.

Emerging Markets
Utilities operations such as pressure pipes used in water supply, irrigation and sewerage systems as well as in power stations. Operations are based in Tunisia, Egypt, Indonesia and France. In Egypt and Indonesia, operations are managed with local partners.

Information by segment

2022 (€ in millions)	West Nordic	East Nordic	Western Europe	Eastern Europe	Emerging Markets	Central costs and unallocated	Elim	Consolis
Sales before eliminations	436	329	310	109	136	-	(25)	1,295
Eliminations	-	(25)	-	-	-	-	25	-
Net sales	**436**	**304**	**310**	**109**	**136**	**-**	**-**	**1,295**
Adjusted EBITDA (Non-GAAP measure)	(3.8)	15.3	33.8	12.5	20.4	(2.2)	-	75.9
Depreciation and amortisation	-	-	-	-	-	(44.2)	-	(44.2)
Profit (loss) from sales of fixed assets	-	-	-	-	-	0.7	-	0.7
Impairment loss	-	-	-	-	-	(7.4)	-	(7.4)
Restructuring expenses	-	-	-	-	-	(6.7)	-	(6.7)
Operating profit	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18.4**
Financial income	-	-	-	-	-	-	-	3.2
Financial expenses	-	-	-	-	-	-	-	(41.3)
Profit after financial items								**(19.8)**
Capex	(2.8)	(2.4)	(6.6)	(2.0)	(2.4)	(1.0)	-	(17.1)
Total fixed assets	67.9	75.2	94.7	12.8	18.7	8.2	-	277.6

2021 (€ in millions)	West Nordic	East Nordic	Western Europe	Eastern Europe	Emerging Markets	Central costs and unallocated	Elim	Consolis
Sales before eliminations	402	267	256	88	122	-	(29)	1,106
Eliminations	-	(29)	-	-	-	-	29	-
Net sales	**402**	**238**	**256**	**88**	**122**	**-**	**-**	**1,106**
Adjusted EBITDA (Non-GAAP measure)	7.7	12.5	33.5	6.7	21.0	0.4	-	81.7
Depreciation and amortisation	-	-	-	-	-	(45.1)	-	(45.1)
Profit (loss) from sales of fixed assets	-	-	-	-	-	0.4	-	0.4
Impairment loss	-	-	-	-	-	(2.4)	-	(2.4)
Restructuring expenses	-	-	-	-	-	(5.3)	-	(5.3)
Other items	-	-	-	-	-	7.9	-	7.9
Operating profit	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**37.3**
Financial income	-	-	-	-	-	-	-	3.4
Financial expenses	-	-	-	-	-	-	-	(39.3)
Profit after financial items								**1.4**
Capex	(4.9)	(2.1)	(9.8)	(1.8)	(4.1)	(3.2)	-	(26.0)
Total assets	235.0	162.3	241.7	63.1	148.2	26.1	-	876.4

4 Revenues

Information by geographic region

Net sales

(€ in millions)	2022-12-31	2021-12-31
Sweden	221	235
Denmark	123	96
Norway	92	69
West Nordic	**436**	**402**
Finland	250	184
Latvia	23	20
Estonia	17	21
Lithuania	14	14
East Nordic	**304**	**238**
Netherlands	198	174
Spain	92	65
Germany	20	18
Western Europe	**310**	**256**
Hungary	46	39
Poland	31	26
Romania	32	24
Eastern Europe	**109**	**88**
Tunisia	44	47
Egypt	58	41
France	22	22
Indonesia	12	14
Emerging markets	**136**	**122**
Total Net Sales	**1,295**	**1,106**

Information by customer

The Group does not have any customer that individually accounted for over 10% of its sales in 2022 or 2021.

Information by end market

2022 **Net sales** (€ in millions)	Residential buildings	Non-residential buildings	Utilities	Other	**Total**
West Nordic	167	252	-	18	**436**
East Nordic	151	152	-	1	**304**
Western Europe	109	190	-	10	**310**
Eastern Europe	-	109	-	-	**109**
Emerging markets	-	-	136	-	**136**
Total	**427**	**703**	**136**	**29**	**1,295**

Utilities include water pipes and other infrastructure elements. Category other within West Nordic segment include tanks for farms and concrete elements related to road works.

Summary of contract balances

(€ in millions)	2022-12-31	2021-12-31
Accounts receivable (Note 20)	137.5	141.4
Contract assets	56.5	58.1
Contract liabilities	78.7	71.2

Accounts receivable are non-interest-bearing and the typically fall due for payment 30 days after the performance obligation has been fulfilled, if the billing is not according to agreement with billing at certain dates/ milestones.

Contract assets (POC recivlabes) are recognized in the statement of financial position when the customer is considered to have benefited from the delivered goods or services and it is attributable to ongoing projects. When the customer has been invoiced for the delivered services, the amount is reclassified to accounts receivable. For information on the year's change in the provision for doubtful debts, please see Note 20.

Contract liabilities are attributable to advance payments from customers on services that have not yet been rendered.

Remaining performance obligations pursuant to customer contracts

The table below outlines the remaining performance obligations pursuant to customer contracts, hence the part of ongoing projects that is not yet finalized together with projects signed but not yet started. The order book typically have a duration of 6-18 month, hence the vast majority of remaining obligation is expected to be fulfilled during 2023.

(€ in millions)	2022-12-31	2021-12-31
West Nordic	268.2	391.6
East Nordic	96.9	202.9
Western Europe	141.1	136.9
Eastern Europe	33.2	34.4
Emerging Markets	136.8	100.1
Elimination	(0.9)	(24.9)
Total	**675.2**	**841.1**

Onerous contracts

In 2022 Consolis accounted for loss making contacts in the west Nordic segment. The loss making contracts occurred due to increased raw material cost in old projects that did not have proper indexation clauses in place, hence the increase cost were not transferred to the costumer. As of December 31 the reserve related to loss making contracts amounted to € 0,6 million.

5 Employees and employees benefits

The Group total FTE amounted to 8,101 as of December 31,2022 and was distributed as follows:

	2022		2021	
	No of employees	Of which, men	No of employees	Of which, men
Sweden	914	806	924	822
Denmark	511	464	557	513
Norway	401	367	371	344
West Nordic	**1,826**	**1,637**	**1,852**	**1,679**
Finland	635	582	669	613
Latvia	253	233	313	290
Estonia	226	190	292	257
Lithuania	93	82	107	95
East Nordic	**1,207**	**1,087**	**1,381**	**1,255**
Netherlands	611	547	588	536
Spain	372	315	357	287
Germany	92	75	89	71
Western Europe	**1,075**	**937**	**1,034**	**894**
Hungary	263	231	245	212
Poland	327	267	320	265
Romania	190	176	217	183
Eastern Europe	**780**	**674**	**782**	**660**
Tunisia	1,476	1,446	1,549	1,514
Egypt	742	728	808	799
France	113	102	127	118
Indonesia	138	126	217	210
Korea	0	0	1	1
Emerging markets	**2,469**	**2,402**	**2,702**	**2,642**
Group	64	43	61	40
Total number of employees	**7,421**	**6,780**	**7,812**	**7,170**
Hired labour	680	n/a	1,147	n/a
Discontinued operations	-	-	976	n/a
Total workforce, FTE	**8,101**	**n/a**	**9,935**	**n/a**

Gender balance, senior executives

	2022	2021
Percentage women, Board of Directors	25%	25%
Percentage men, Board of Directors	75%	75%
Percentage women, other senior executives	25%	25%
Percentage men, other senior executives	75%	75%

Management compensations paid by the Group are set out in the table below:

(€ in millions)	2022	2021
Basic salaries	3.9	3.8
Bonuses	1.9	1.9
Pensions	0.7	0.7
Other (including benefits in kind)	0.2	0.2
Management compensations	**6.7**	**6.6**

Group executives include the CEO and other members of the Executive Management Team. The Executive Management Team consisted at the end of 2022 of twelve persons, including the CEO. Three of the members of the Executive Management Team are women and nine are men. (see p. [58-59])

The total annual compensation of Group´s employees from continued operations was as follows:

	As of December 31	
(€ in millions)	2022	2021
Personnel expenses by function in the consolidated income statement:		
Production cost of goods and services sold	(274.0)	(249.2)
Production and services overheads	(29.8)	(31.2)
Sales and marketing expenses	(20.2)	(22.7)
Administrative expenses	(36.9)	(32.4)
Research and development expenses	(4.3)	(3.4)
Employee benefits expenses	**(365.1)**	**(338.9)**
Personnel expenses in other income and expenses from operations		
Restructuring expenses	(1.2)	(5.1)
Total personnel expenses	**(366.3)**	**(344.0)**

Remuneration to group executives

Decision-making processes

The Board's Remuneration Committee prepares proposals for approval by the Board of Directors on guidelines for remuneration to group executives when modifications of the guidelines are necessary. The Board of Directors establishes the salary and other benefits for the CEO following proposals from the Remuneration Committee. The Remuneration Committee establishes the salary and other benefits for the Executive Management Team following proposals from the CEO.

Remuneration policy

The Board of Directors approved the Remuneration Committee's proposed remuneration policy for Group Executive Management in December 2021. The policy will remain valid until any changes are proposed by the Remuneration Committee and approved by the Board of Directors. The remuneration policy is forward looking, meaning that it is applicable when new arrangements are established, or when changes of existing conditions for the CEO or any other member of the Executive Management Team are made, after the remuneration policy was approved by the Board of Directors in December 2021.

The policy's promotion of the company's business strategy and long-term interest

A prerequisite for the successful implementation of the company's business strategy as well as the long-term interest is that the company can attract and retain the management talent necessary to support the company's continued success. To this end, it is necessary that the company offers competitive remuneration. The policy enables the company to offer its group executives a competitive total remuneration. Variable cash remuneration covered by this policy shall aim at promoting the company's business strategy and long term interest. This is accomplished through the financial and non-financial objectives and targets that determine the outcome of the variable cash remuneration and are clearly linked to the company's business strategy.

Total remuneration

The combined total remuneration to our group executives shall be competitive and in line with the market practice where the executive is located and the executive's and the company's performance shall be reflected in the total remuneration. The total remuneration package to our group executives may include base salary, variable salary based on short-term annual targets, pension, health care and other benefits and other non-monetary benefits.

Cash remuneration

Base salary and variable salary together represents the executive's total cash remuneration. The base salary shall be in line with the market practice where the executive is located and shall be reviewed on an annual basis. Group executives shall, in addition to their base salary, be eligible for an annual variable salary component, dependent on an annual decision of the company's Board of Directors. The variable salary is based on pre-established annual targets recommended by the Consolis Remuneration Committee and approved by the company's Board of Directors.

Note 5, cont.

The performance objectives and targets shall be designed to support the company's business strategy and long-term interest.

For the CEO the target variable salary may represent a maximum of 75% of the annual base salary and for other group executives the target variable salary may represent a maximum of 20%-50% of the base salary.

The fulfillment of the annual targets and the payout of any variable pay is evaluated and determined by the company's Board of Directors after the completion of each performance year.

Any other financial reward shall be conditional on the specific approval of the Remuneration Committee.

Pension, insurances and other benefits

Pension solutions are provided to group executives where it is customary and in line with local market practice and pension policies where the executive is located. The company shall always strive for having defined contribution pension schemes for its group executives. The retirement age is normally 65 years unless the local practice in the country where the group executive operates provides another retirement age.

Other benefits, such as, health care and disability insurances, company car and other monetary benefits may be included in the total remuneration package to the company's group executives. Such benefits shall be in line with market practice where the executive is located and shall, from time to time, be reviewed by Group HR, to ensure that the company's total remuneration package to its executive's is competitive and in line with market practice.

Termination of employment and severance pay

In the event that the company terminates an executive's employment the notice period from the company is maximum 12 months and in the event the executive terminates the employment the notice period is 6 months. In the event that the company terminates the executive's employment and severance pay come into force, the maximum compensation of notice pay and severance pay shall not exceed 12 monthly salaries.

Deviation from the remuneration policy

If needed, due to special reasons, the Board of Directors can approve exceptions from the remuneration policy. Any such deviation, shall be documented and reviewed on a continues basis. During the year 2022 the company has not entered into any new agreements or amendments of agreements that deviates from the company's remuneration policy.

6 Depreciation/amortization

Depreciation/amortization

2022 (€ in millions)	Cost of goods sold	Production overheads	Sales and marketing costs	Administrative costs	Research and development costs	Total
Amortization of intangible assets	(1.2)	-	(0.0)	(1.9)	(0.6)	(3.7)
Depreciation of tangible assets	(20.3)	(0.1)	(0.1)	(1.4)	(0.3)	(22.2)
Depreciation of Right-of-use assets	(6.2)	(8.3)	(2.1)	(1.7)	-	(18.3)
Total depreciation/amortization	**(27.7)**	**(8.4)**	**(2.2)**	**(5.0)**	**(0.9)**	**(44.2)**

2021 (€ in millions)	Cost of goods sold	Production overheads	Sales and marketing costs	Administrative costs	Research and development costs	Total
Amortization of intangible assets	(1.4)	-	(0.0)	(2.0)	(0.7)	(4.1)
Depreciation of tangible assets	(22.0)	(0.1)	(0.1)	(1.5)	(0.0)	(23.7)
Depreciation of Right-of-use assets	(3.8)	(8.5)	(2.5)	(2.4)	-	(17.3)
Total depreciation/amortization	**(27.2)**	**(8.6)**	**(2.6)**	**(5.9)**	**(0.7)**	**(45.1)**

7 Remuneration and fees to auditors

(€ in millions)	2022	2021
PWC		
Audit assignments	(1.8)	(2.1)
Tax advice	-	(0.1)
Other fees	0.2	(0.5)
Total	**(2.0)**	**(2.7)**

8 Operating expenses distributed by cost type

(€ in millions)	2022	2021
Production-related goods and services and raw material consumables	(763.0)	(612.0)
Personnel costs	(365.1)	(338.9)
Depreciation and Amortization	(44.2)	(45.1)
Other operational costs	(91.4)	(73.4)
Total costs	**(1,263.7)**	**(1,069.4)**

9 Other operating income and expenses

(€ in millions)	2022	2021
Profit (loss) from sales of fixed assets	0.7	0.4
Restructuring expenses	(6.7)	(5.3)
Impairment (loss) / reversal	(7.4)	(2.4)
Other items	0.0	7.9
Total	**(13.4)**	**0.6**

Profit / (loss) from sale of fixed assets
During the year Consolis have divested 3 real estate sites in Finland and Germany.

Restructuring expenses
Recorded restructuring expenses mainly comprises restructuring charge related to the previously mentioned restructuring programme in West Nordic, which have also impacted the operation in East Nordic segment due to lower level of cross border trade from Baltics to Sweden and Finland.

Impairment charge
As part of year end closing we performed a impairment test. The methodology was unchanged compared to last year, for further description of applied CGU refer to note 14. The outcome of the test indicated a need for impairment on Norway and France. An impairment charge was recorded of EUR 5.4 million on Norway and EUR 0.5 million on France, affecting the value on goodwill.

Apart from this we have also recorded an impairment charge amounting to EUR 1.7 million related to other intangible assets, where we have written off the value for an internally developed tool for optimising hollow core design. The triggering event was that the Netherlands decided to not roll out the application, which changed the business case significantly.

Other items
Last year, other items were effected by a curtailment gain due to changes pension plans in the Netherlands.

Proforma

If items classified as other income and expenses from operations would have been split over the functions in PL, the consolidated income statement would have looked like the table below.

(€ in millions)	2022	2021
Net sales	**1,295**	**1,106**
Cost of goods sold	(1,070.4)	882.7
Production overheads	(86.5)	(75.4)
Gross Profit	**(144.2)**	**148.0**
Sales and marketing expenses	(26.0)	(28.7)
Administrative expenses	(87.5)	(77.3)
Research and development expenses	(6.6)	(4.8)
Other income and expenses	-	-
Operating profit	**18.4**	**37.3**

10 Financial income and expense

Financial income

(€ in millions)	2022	2021
Interest income	1.0	1.4
Other financial income	2.2	2.0
Total financial income	**3.2**	**3.4**

Financial expenses

(€ in millions)	2022	2021
Interest expenses	(30.0)	(31.7)
Currency exchange losses	(4.7)	(1.3)
Other financial expenses	(6.6)	(6.3)
Total financial expenses	**(41.3)**	**(39.3)**

11 Taxes

(€ in millions)	2022	2021
Current taxes	(10.1)	(9.5)
Deferred taxes	(0.7)	(3.2)
Total	**(10.8)**	**(12.7)**

(€ in millions)	2022		2021	
		%		%
Profit/Loss after financial items	(19.8)		1.4	
French corporate income tax rate	4.9	(25.0)	(0.4)	(28.4)
Different local tax rates	(0.3)	1.7	4.7	335.7
Tax related to previous years	(0.4)	2.1	0.0	0.0
Non-taxable items	(9.4)	47.3	(1.3)	(92.9)
Non-deductible items	1.4	(7.2)	(5.4)	(385.7)
Non capitalised loss carry-forwards	(6.2)	31.5	(10.2)	(728.6)
Utilization of previously unrecognised tax loss carry-forwards	0.7	(3.7)	0.0	0.0
Other	(1.5)	7.8	0.0	0.0
Effective tax rate	**(10.8)**	**54.6**	**(12.7)**	**(899.8)**

The effective tax rate for the Group, 54.6%, is calculated on the basis of the weighted total income after financial items per country, multiplied by the local statutory tax rate.

Changes in deferred tax assets and deferred tax liabilities

2022

(€ in millions)	Deferred tax assets	Deferred tax liabilities	Net
Opening balance	**4.6**	**(12.1)**	**(7.5)**
Deferred tax for the year	1.5	0.5	2.0
Adjustment for previous years	(2.8)	0.1	(2.7)
Recognised in comprehensive income statement	(0.7)	-	(0.7)
Balance sheet only movements/ offsetting	(0.2)	0.2	0.0
Exchange rate differences	(0.1)	0.3	(0.2
Closing balance	**2.3**	**(11.0)**	**(8.7)**

Note 11, cont.

Deferred tax assets and deferred tax liabilities

2022 (€ in millions)	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	-	(10.4)	(10.4)
Tangible fixed assets	1.4	(6.2)	(4.8)
Untaxed reserves	-	(1.8)	(1.8)
Employee benefit obligations	3.6	-	3.6
Provisions	0.4	-	0.4
Other assets	0.6	-	0.6
Other liabilities	0.6	(0.5)	0.1
Tax loss carry-forwards	3.6	-	3.6
Deferred tax assets and deferred tax liabilities	**10.2**	**(18.9)**	**(8.7)**
Offsetting	(7.9)	7.9	-
Net deferred tax assets and deferred tax liabilities	**2.3**	**(11.0)**	**(8.7)**

Deferred tax assets and deferred tax liabilities

2021 (€ in millions)	
Deferred tax assets	
Purchase price allocations	0.7
Unused taxable losses	4.2
Other temporary differences	12.5
Employee benefit obligations	4.8
Total before offsetting	**22.1**
Offsetting	(17.5)
Net deferred tax assets	**4.6**
Deferred tax liabilities	
Purchase price allocations	(14.8)
Other temporary differences	(14.7)
Total before offsetting	**(29.5)**
Offsetting	17.5
Net deferred tax liabilities	**(12.1)**
Net deferred tax assets and deferred tax liabilities	**(7.5)**

As of December 31, 2022, the Group has tax loss carry-forwards of EUR 748.6million, whereof EUR 745.0 million has not been capitalised as deferred tax assets. Unrecognised tax losses mainly relates to tax losses in France, without time limit. The tax loss carry-forwards will expire as follows (gross amounts):

Tax loss carry-forwards

(€ in millions)	2022-12-31	2021-12-31
Within a year	2.4	1.3
1-5 year	24.2	23.8
> 5 year	14.4	17.2
Without time limit	707.6	695.2
Total	**748.6**	**737.5**

12 Discontinued operations

Civil works France disposal

Consolis completed the sale of its Civil Works France business to EIM Capital on January 31, 2022, through the disposal of Bonna Sabla S.A. and its subsidiaries. The Civil Works France business consisted mainly of (i) precast concrete drainage products, funeral elements and urban planning business and (ii) precast concrete tunnel elements manufacturing business. Consolis' intention was to use an estimated EUR 45 million of cash in order for the CWF Business to be self-sufficient between the issue date of the senior secured notes and the completion date of the disposal. The total amount of cash used is expected to be in line with the previously communicated amount EUR 45 million. On closing, January 31, 2022, an injection of EUR 17.3 million was done. In addition, Consolis had an obligation to fund EUR 20 million of cash, which was recovered from the real estate asset transaction that was completed on June 30, 2022.

Presentation in the financial statements

As of December 2022, the Civil Works France were divested hence no assets or liabilities were part of consolidated numbers for Consolis Group. The line "result from discontinued operations" consists of net result for the period Bonna Sabla and subsidiaries were part of Consolis group (January 1-31) and net gain from the disposal, amounting to EUR 16.7 million.

(€ in millions)	2022-12-31	2021-12-31
Net result from Civil Works France Operations	(0.6)	(30.3)
Net gain from Civil Works France divestment	16.7	-
Net result from Rail operations	-	2.7
Net gain from Rail divestment	-	26.6
Other income and expenses from operations	**16.1**	**(1.0)**

13 Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by adjusting the earnings and number of shares for the effects of dilutive options and other dilutive potential ordinary shares. This includes free shares in the years ended. There are no dilution of shares for the financial years 2022 and 2021 as there have been no outstanding convertible debentures or stock options.

(€ in millions)	2022-12-31	2021-12-31
Net profit attributable to ordinary shareholders	(17.9)	(16.6)
Weighted average number of ordinary shares (number of shares - million)	489.5	478.2
Basic earnings per ordinary share	**(0.04)**	**(0.03)**
Net profit attributable to ordinary shareholders	(17.9)	(16.6)
Weighted average number of diluted shares (number of shares - million)	489.5	478.2
Diluted earnings per share	**(0.04)**	**(0.03)**

14 Goodwill

Goodwill

(€ in millions)	2022-12-31	2021-12-31
Opening accumulated acquisition value	**230.1**	**230.2**
Reclassifications	-	(0.1)
Exchange rate differences	(7.8)	0.0
Closing accumulated acquisition value	**222.2**	**230.1**
Opening accumulated impairment	(25.4)	(25.3)
Impairment	(5.9)	(0.1)
Exchange rate differences	(0.2)	0.0
Closing accumulated impairment	**(31.1)**	**(25.4)**
Net book value as of January 1	**204.6**	**204.9**
Net book value as of December 31	**191.1**	**204.6**

Goodwill allocation per segment

(€ in millions)	2022-12-31	2021-12-31
West Nordic	65.3	75.0
East Nordic	1.0	1.0
Western Europe	96.0	96.0
Eastern Europe	12.3	12.9
Emerging Markets	16.5	19.8
Total	**191.1**	**204.6**

Cash Generating Units (CGUs)

For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash Generating Unit). Consolis have identified 13 CGUs. The main rule is that a single country/market is identified as a CGU, however for some markets that are closely connected to other markets (countries) they are viewed together with the other market. This is the case for the Baltic countries that are viewed together with Finland, and Germany that is viewed together with the Netherlands (Elements). The CGUs are unchanged compared to year end 2021.

For presentation purposes, CGUs have been grouped together to reporting segment. West Nordic consists of three CGUs; Sweden, Denmark and Norway. East Nordic is equal to CGU East Nordic, comprising Finland, Latvia, Estonia and Lithuania. Western Europe consists of two CGUs; Spain and the Netherlands together with Germany (Elements). Eastern Europe consists of three CGUs; Hungary, Romania and Poland. Emerging Markets consists of four CGUs; Indonesia, Tunisia, France and Egypt. Goodwill have been reallocated over the CGUs, using its calculated value in use, compared to goodwill per segment.

Outcome impairment test 2022

The impairment test for 2022 indicated an impairment situation on CGU Norway, within segment West Nordic, and on CGU France, within segment Emerging Markets. Impairment of goodwill amounting to EUR 5.9 million was recorded over profit and loss on the row "Other income and cost from operations". The impairment charge on Norway amounted to EUR 5.4 million and on France it amounted to EUR 0.5 million. For both CGUs, net value of goodwill is 0.0 after impairment charges recorded in 2022. Both Norway and France have been facing difficulties over the last couple of year a and the forecasted cashflow are not enough to support the value on the goodwill. Except for recorded impairment on Norway and France, there were headroom on the other CGUs.

Assumptions and estimates

The calculation of the value in use is based on assumptions and assessments in addition to the estimated growth beyond the forecast period. The most significant of these relate to the sales growth, the development of the EBITDA margin, the change in operating capital employed as well as the relevant Weighted Average Cost of Capital (WACC) for the valuation, that is, WACC after tax used to discount the future cash flows. These assumptions and judgments are also based on financial plans developed in each country and business segment and are built upon the strategic plan for the next three year which has been ascertained by Group Management and presented to the Board of Directors. Assumptions relating to WACC are calculated individually on a CGU basis.

The value in use of CGUs is estimated using after-tax cash flow projections based on three-year strategic plans and a terminal value calculated by extrapolating data for the final year of the business plan. The growth rate used beyond the initial period of the business plans reflects long term inflation target for the CGUs concerned. Expected future cash flows are discounted at the weighted average cost of capital calculated for the group of CGU. The growth and discount rates used for impairment tests during the period are provided below.

2022-12-31 (€ in millions)	WACC[1]	Long Term Growth Rate (LTGR)[1]	Normative tax rate[1]
West Nordic	9.3-10.9%	1.8-2.0%	20.6-22.0%
East Nordic	10.7%	2.1%	20.0%
Western Europe	8.1-12.2%	1.3%	25.0-25.8%
Eastern Europe	15.4-18.3%	2.6-3.3%	9.0-19.0%
Emerging Markets	10.0-28.1%	1.5-5.0%	15.0-25.0%

[1] Showing the range for CGUs within other businesses

2021-12-31 (€ in millions)	WACC[1]	Long Term Growth Rate (LTGR)[1]	Normative tax rate[1]
West Nordic	8.5%	1.8-2.0%	20.6-22.0%
East Nordic	8.9%	2.1%	20.0%
Western Europe	8.5-9.6%	1.3%	25.0-30.1%
Eastern Europe	10.3-11.6%	2.6-3.3%	9.0-19.0%
Emerging Markets	9.2-19.3%	1.5-5.0%	22.5-28.4%

[1] Showing the range for CGUs within other businesses

Sensitivity analysis

The following sensitivity analyses have been made of the estimates of value in use in connection with impairment testing:

- Decrease in EBITDA margin with -2%
- Reduced revenue growth of -5%
- Increased level of capex as % of revenue

The sensitivity analyse showed that the values are sensitive for the EBITDA assumption in most CGUs, except for Tunisia and Egypt. A reduction in revenue of 5% would indicate an impairment situation in East Nordic, Elements, Romania, Hungary and Denmark. The same CGUs indicated a sensitivity towards the capex assumption as well.

15 Other intangible assets

2022-12-31 (€ in millions)	Trademarks and patents	Development costs	Other intangible assets	Total
Opening accumulated acquisition value	**54.2**	**13.2**	**22.9**	**90.3**
Investments	-	0.4	1.4	1.8
Sales and scrapping	(0.8)	(1.2)	-	(2.0)
Reclassifications	-	2.9	(5.2)	(2.3)
Exchange rate differences	(0.4)	0.0	(0.1)	(0.5)
Closing accumulated acquisition value	**53.0**	**15.3**	**19.0**	**87.3**
Opening accumulated amortization and impairment	**(10.4)**	**(8.4)**	**(13.6)**	**(32.5)**
Amortizations	(0.1)	(2.3)	(1.3)	(3.7)
Impairment	-	-	(1.7)	(1.7)
Sales and scrapping	0.6	1.2	-	1.8
Reclassifications	-	-	2.0	2.0
Exchange rate differences	0.0	0.0	0.0	0.0
Closing accumulated amortization and impairment	**(9.9)**	**(9.5)**	**(14.6)**	**(33.9)**
Net book value as of 2022-01-01	**43.8**	**4.8**	**9.3**	**57.8**
Net book value as of 2022-12-31	**43.1**	**5.9**	**4.4**	**53.4**

2021-12-31 (€ in millions)	Trademarks and patents	Development costs	Other intangible assets	Total
Opening accumulated acquisition value	**54.3**	**12.4**	**19.5**	**86.1**
Investments	0.0	0.8	3.9	4.7
Sales and scrapping	(0.0)	(0.0)	(0.5)	(0.5)
Exchange rate differences	(0.1)	0.0	0.0	(0.1)
Closing accumulated acquisition value	**54.2**	**13.2**	**22.9**	**90.3**
Opening accumulated amortization and impairment	**(10.1)**	**(6.2)**	**(12.4)**	**(28.7)**
Amortizations	(0.4)	(2.3)	(1.4)	(4.1)
Impairment	0.0	-	(0.3)	(0.3)
Sales and scrapping	0.0	0.0	0.5	0.5
Exchange rate differences	0.2	0.2	0.2	0.6
Closing accumulated amortization and impairment	**(10.4)**	**(8.4)**	**(13.6)**	**(32.4)**
Net book value as of 2021-01-01	**44.2**	**6.2**	**7.1**	**57.5**
Net book value as of 2021-12-31	**43.8**	**4.8**	**9.3**	**57.8**

Impairment test procedures described in note 14 also cover intangible and other assets.

16 Property, plant and equipment

2022-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**231.7**	**333.9**	**28.7**	**594.3**
Investments	2.7	7.5	5.1	15.3
Sales and scrapping	(4.9)	(8.6)	(3.4)	(16.9)
Reclassifications	1.9	7.2	(8.4)	0.7
Exchange rate differences	(5.4)	(11.3)	(0.6)	(15.5)
Closing accumulated acquisition value	**225.9**	**328.7**	**21.5**	**576.1**
Opening accumulated depreciation and impairment	**(146.8)**	**(254.3)**	**(15.1)**	**(416.2)**
Depreciations	(6.9)	(14.2)	(1.1)	(22.2)
Impairment	-	0.2	0.0	0.2
Sales and scrapping	3.8	7.6	3.4	14.8
Reclassifications	(7.6)	(3.1)	(0.1)	(10.8)
Exchange rate differences	2.8	7.8	0.3	10.9
Closing accumulated depreciation and impairment	**(154.7)**	**(256.0)**	**(12.6)**	**(423.3)**
Net book value as of 2022-01-01	**84.9**	**79.6**	**13.6**	**178.1**
Net book value as of 2022-12-31	**71.2**	**72.7**	**8.9**	**152.9**

2021-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**230.0**	**330.3**	**24.3**	**584.6**
Investments	1.9	11.7	7.7	21.3
Sales and scrapping	(1.0)	(7.7)	(0.5)	(9.2)
Reclassifications	0.3	(2.2)	(2.9)	(4.8)
Exchange rate differences	0.5	1.8	0.1	2.4
Closing accumulated acquisition value	**231.7**	**333.9**	**28.7**	**594.3**
Opening accumulated depreciation and impairment	**(140.7)**	**(247.9)**	**(15.8)**	**(404.4)**
Depreciations	(8.5)	(14.7)	(0.5)	(23.7)
Impairment	(0.1)	(0.4)	(0.1)	(0.6)
Sales and scrapping	1.0	8.0	0.8	9.8
Reclassifications	1.4	0.7	0.6	2.7
Exchange rate differences	0.1	0.0	(0.1)	0.0
Closing accumulated depreciation and impairment	**(146.8)**	**(254.3)**	**(15.1)**	**(416.2)**
Net book value as of 2021-01-01	**89.3**	**82.4**	**8.5**	**180.2**
Net book value as of 2021-12-31	**84.9**	**79.6**	**13.6**	**178.1**

17 Right-of-Use Assets

2022-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**88.8**	**18.1**	**19.6**	**126.5**
Additions	14.9	2.6	5.4	22.9
Terminations	(4.9)	(2.2)	(4.0)	(11.1)
Reclassifications	(0.7)	0.2	(0.4)	(0.9)
Exchange rate differences	(1.4)	(0.1)	(0.6)	(2.1)
Closing accumulated acquisition value	**96.7**	**18.6**	**20.0**	**135.3**
Opening accumulated depreciation and impairment	**(43.6)**	**(14.4)**	**(10.2)**	**(68.2)**
Depreciations	(11.3)	(2.4)	(4.6)	(18.3)
Terminations	3.8	2.8	3.7	10.3
Reclassifications	7.6	2.7	1.0	11.3
Exchange rate differences	0.6	0.1	0.3	1.0
Closing accumulated depreciation and impairment	**(42.9)**	**(11.2)**	**(9.8)**	**(63.8)**
Net book value as of 2022-01-01	**45.2**	**3.7**	**9.4**	**58.4**
Net book value as of 2022-12-31	**53.8**	**7.4**	**10.2**	**71.4**

2021-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**87.6**	**15.9**	**18.2**	**121.7**
Additions	6.9	2.9	6.6	16.4
Terminations	(4.8)	(0.7)	(4.9)	(10.4)
Reclassifications	(1.3)	-	(0.2)	(1.5)
Exchange rate differences	0.4	0.0	(0.1)	0.3
Closing accumulated acquisition value	**88.8**	**18.1**	**19.6**	**126.5**
Opening accumulated depreciation and impairment	**(39.5)**	**(14.0)**	**(10.0)**	**(63.5)**
Depreciations	(9.5)	(2.7)	(5.1)	(17.3)
Impairment	-	(0.7)	(0.7)	(1.4)
Terminations	4.9	0.7	4.9	10.5
Reclassifications	0.6	2.4	0.7	3.7
Exchange rate differences	(0.1)	(0.1)	0.0	(0.2)
Closing accumulated depreciation and impairment	**(43.6)**	**(14.4)**	**(10.2)**	**(68.2)**
Net book value as of 2021-01-01	**48.1**	**1.9**	**8.2**	**58.3**
Net book value as of 2021-12-31	**45.2**	**3.7**	**9.4**	**58.4**

18 Other assets

(€ in millions)	2022-12-31	2021-12-31
Deposit guarantees	11.1	10.8
Other	3.3	3.4
Total	**14.4**	**14.2**

19 Inventories

(€ in millions)	2022-12-31	2021-12-31
Raw materials	54.9	46.5
Finished products	11.5	13.3
Others	4.5	6.1
Inventories (gross)	**70.9**	**65.9**
Provision for inventories	(4.9)	(4.7)
Inventories (net)	**66.0**	**61.3**

20 Accounts receivable

Accounts receivable

(€ in millions)	2022-12-31	2021-12-31
Accounts receivable	146.6	151.3
Allowance for doubtful debt	(9.1)	(9.9)
Accounts receivable total	**137.5**	**141.4**

Aging structure

2022-12-31 (€ in millions)	Trade	Factoring	Total
Not past due	44.7	53.9	98.6
Due 1-30 days	6.3	5.7	11.9
Due 31-60 days	5.2	2.4	7.6
Due over 90 days	26.1	2.4	28.5
Total	**82.4**	**64.3**	**146.6**

2021-12-31 (€ in millions)	Trade	Factoring	Total
Not past due	53.6	57.8	111.4
Due 1-30 days	4.1	5.8	9.9
Due 31-60 days	7.8	0.2	8.0
Due over 90 days	21.5	0.4	21.9
Total	**87.0**	**64.2**	**151.3**

Trade receivables
The carrying amounts represent the maximum credit risk exposure at the balance sheet date excluding the fair value of any collateral in the event that the other party fails to perform the obligation. There are no significant concentration of credit risk with respect to the receivables. Due to the local nature of the business, local terms and conditions might apply for the trade receivables.

Factoring
Consolis's factoring agreement is based on a non-recourse mechanism in case of a non-payment of the covered receivables. Consequently, all receivables covered by the credit insurance policy are now derecognized except for the following receivables: advance payment, interim billing and cash withheld for warranty retention. As of December 31, 2022, the total carrying amount of the receivables factored is EUR 115.5 million (94.4) out of which EUR 62.2 million (32.1) were derecognized from the consolidated statement of financial position as the Group transferred substantially all the associated risks and rewards to the factor. EUR 53.2 million (62.3) of factored receivable not deconsolidated.

A guarantee fund (to guarantee the repayment of the amounts of which Consolis may become debtor with CALF (Credit Agricole Leasing & Factoring) was constituted at the beginning of the factoring contract. The guarantee fund is based on the total amount of financed receivables and doesn't generate interests. For the year ended December 31, 2022, the guarantee fund amounted to EUR 5.2 million.

21 Other receivables

(€ in millions)	2022-12-31	2021-12-31
Contractual payment retention	9.5	10.9
VAT receivables	13.0	10.6
Financial assets	5.2	7.5
Other receivables	13.2	6.7
Total	**40.9**	**35.7**

22 Cash and cash equivalents

(€ in millions)	2022-12-31	2021-12-31
Cash at bank and on hand	35.8	38.0
Short-term deposits	10.2	13.9
Total	**46.0**	**51.8**
Bank overdrafts	(1.1)	-
Total	**44.9**	**51.8**

23 Equity

Equity comprises registered share capital, other contributed capital, retained earnings or loss and non-controlling interests.

Share capital
Share capital amounted to EUR 195,785 thousand as of 31 December 2022. There were 489,461,692 shares outstanding. The quotient value is EUR 0.4 and each share carries equal voting rights.

Other contributed capital
Refers to equity contributed by shareholders. This includes share premiums paid in connection with share issues.

Reserves

Exchange rate differences on translation of foreign operations
Exchange rate differences that arise upon restatement of the financial statements of foreign subsidiaries, changes related to restatement of surplus values in local currency and restatement of liabilities incurred as hedging instruments of a net investment in a foreign subsidiary.

Retained earnings
Retained earnings, including net profit for the year, are included in profits earned in the parent company and its subsidiaries.

Retained earnings also includes the following:

Remeasurement of pension provisions
Actuarial gains and losses on defined benefit pension plans.

Non-controlling interests
The share of equity attributable to shareholders with non-controlling interests is reported as an item in equity segregated from the parent company's share of equity.

24 Interest-bearing liabilities

Non-current interest-bearing liabilities

(€ in millions)	2022-12-31	2021-12-31
Shareholder loans	305.8	324.3
Lease liabilities	53.2	54.4
Other non-current loans	33.0	3.6
Total non-current interest-bearing liabilities	**392.0**	**382.4**

Current interest-bearing liabilities

(€ in millions)	2022-12-31	2021-12-31
Factoring	45.5	54.0
Revolving Credit Facilities	15.0	-
Lease liabilities	17.3	17.5
Other current loans	5.2	5.1
Bank overdraft	1.1	-
Total current interest-bearing liabilities	**84.1**	**76.6**
Total interest-bearing liabilities	**476.1**	**459.0**

1) Factoring is presented net of guarantee reserve.

Term Loan 2022
On July 21, 2022, Consolis entered into a new term facility by certain of its subsidiaries, in a principal amount of EUR 30 million, with certain unaffiliated third-party lenders, thus securing additional liquidity headroom for the Group. The new facility matures on May 31, 2025 (if not repaid earlier), and accrues interest at a floating rate based on EURIBOR, with a 700 basis points margin. The new facility was borrowed by certain members of Consolis that are not guarantors of the Group's senior secured revolving credit facility or senior secured notes, and are incorporated in Germany, Poland and Spain. The new facility is secured over the shares of certain members of the Group incorporated in Germany, Norway, Poland and Spain, and guaranteed by such entities and their direct parent companies. It is also secured over certain real estate assets located in Germany, Norway and Poland. The aggregate market value of the real estate assets subject to security is estimated at approximately EUR 40 million.

Shareholder loans and refinancing 2021
On May 7, 2021, Compact Bidco B.V. (the parent company of Consolis Group S.A.S) issued EUR 300 million Senior Secured Notes (Bonds) listed at The International Stock Exchange "TISE" in Guernsey. The fixed interest on the Bonds is 5.75 percentage and the interest is payable twice a year. The Bonds are due on May 1, 2026. The proceeds from the bond emission was cascaded down to Consolis as Shareholder loans. In conjunction with the bond emission a new loan (PIK Loan) amounting to EUR 50 million were raised by Compact Midco 2 B.V., parent of Compact Bidco B.V. and Consolis, from GSO. The cash was then cascaded to Compact Bidco B.V. by capital injection. The debt included in the books of Compact Bidco B.V. and a part of the cash from the capital injection of Compact Midco 2 B.V. (via Compact Midco 3 B.V.) was then cascaded to Consolis through a shareholder financing. The back-to-back intra-Group loan receivables linked to the external funding of the Group are due in full on April 29, 2026. The interest is fixed to 6.58 percent and the accrued interest is payable in cash every six months.

Other loans
Other loans are bilateral facilities which include various loans with different durations and securities. These financing transactions are primarily variable-rate loans.

Revolving credit facilities
In conjunction with the issue of the Bonds on May 7, 2021, Compact Bidco B.V (the parent company of Consolis Group S.A.S) entered into an agreement of a EUR 75 million Super Senior Revolving Credit Facility to manage ordinary cash swings in Consolis's business. The interest rate is relevant IBOR + 3.50 percent (subject to ratchet from February 7, 2022) and the termination date of this credit facility is November 7, 2025. The line is made up of a EUR 69 million Super senior RCF and a EUR 6 million Ancillary Facility. Syndicated banks are BNP, Credit Lyonnais, Natixis, Nordea and Societe Général.

Note 24, cont.

Covenants

The Senior Secured Notes documentation includes a reporting covenant that requires the Issuer to publish a quarterly report within 60 days after the reporting period, an Annual Report within 120 after the reporting period and material events report. Quarterly reports and Annual report have been issued within the stipulated time frames. For 2022, no material events report was published, due to lack of such events. The key covenants are based on "incurrence" tests, which means that the covenants are tested upon the occurrence of an event rather than on an ongoing basis; failure to maintain a specified level of financial health will not cause a default so long as interest payments can be made. As a result, the incurrence covenants can only be violated as a result of a voluntary action, such as incurring debt, paying a dividend or otherwise distributing value outside the restricted group, making a non-controlling investment and a number of other scenarios. Consolis has not undertakes such actions during 2022.

Factoring

With regards to the factoring, see details in Note 20 "Accounts receivable".

Currency exposure

The interest-bearing liabilities are primarily denominated in Euro. The Group holds financial liabilities in various other local currencies such as NOK, SEK and DKK without a material currency exposure on the Group consolidated financial statements.

Breakdown of borrowings and debts by maturity

2022-12-31 (€ in millions)	Less than 1 year	Between 1 and 5 years	5 years and more	Total
Non-current interest-bearing liabilities				
Shareholder loans	-	305.8	-	305.8
Lease liabilities	-	41.8	11.4	53.2
Other non-current loans	-	33.0	-	33.0
Total non-current interest-bearing liabilities	**-**	**380.6**	**11.4**	**392.0**
Current interest-bearing liabilities				
Factoring[1]	45.5	-	-	45.5
Accrued interests	4.7	-	-	4.7
Revolving Credit Facilities	15.0	-	-	15.0
Current portion of long-term loans	0.6	-	-	0.6
Lease liabilities	17.3	-	-	17.3
Bank overdrafts	1.1	-	-	1.1
Total current interest-bearing liabilities	**84.1**	**-**	**-**	**84.1**
Total interest-bearing liabilities	**84.1**	**380.6**	**11.4**	**476.1**

1) Factoring is presented net of guarantee reserve.

2021-12-31 (€ in millions)	Less than 1 year	Between 1 and 5 years	5 years and more	Total
Non-current interest-bearing liabilities				
Shareholder loans	-	324.3	-	324.3
Lease liabilities	-	41.7	12.7	54.4
Other non-current loans	-	1.7	1.9	3.6
Total non-current interest-bearing liabilities	**-**	**367.7**	**14.6**	**382.4**
Current interest-bearing liabilities				
Factoring[1]	54.0	-	-	54.0
Accrued interests	4.2	-	-	4.2
Current portion of long-term loans	0.6	-	-	0.6
Lease liabilities	17.5	-	-	17.5
Bank overdrafts	0.0	-	-	0.0
Other loans	0.3	-	-	0.3
Total non-current interest-bearing liabilities	**76.6**	**-**	**-**	**76.6**
Total interest-bearing liabilities	**76.6**	**367.7**	**14.6**	**459.0**

1) Factoring is presented net of guarantee reserve.

Change in borrowing and debts

(€ in millions)	2022	2021
Interest bearing liabilities as of January 1	**459.0**	**526.7**
Borrowings		
of which proceeds from borrowings	121.3	257.2
of which repayments of borrowings	(97.3)	(360.3)
of which increase due to interest capitalized	(0.1)	0.7
Factoring	**4.9**	**20.9**
Capital increase	**(18.0)**	**-**
Interest		
of which interest paid	(28.9)	(33.6)
of which increase in interest accrued from the period	29.7	31.6
of which increase in interest capitalized	(0.2)	(0.7)
Overdraft	**(1.4)**	**(0.3)**
Change in lease liabilities	**20.1**	**16.4**
Other (mainly FX changes)	**(4.1)**	**0.4**
Interest bearing liabilities as of December 31	**476.1**	**459.0**

Derivatives

The only instruments used for hedging purposes are forward currency purchases and sales, currency swaps and purchases of currency options for currency risk hedging purposes; interest rate swaps, future rate agreements, and purchases of caps and collars for interest rate risk hedging purposes; and forward commodity purchases and sales, commodity swaps and commodity options for commodities risk hedging purposes. These instruments:

- are used solely for hedging purposes;
- are contracted solely with high-quality banks;
- carry no liquidity risk in the event of reversal.

The table below show aggregate notional amounts for each type of derivative used, split by residual maturity.

(€ in millions)	2022-12-31	2021-12-31
Foreign exchange forward contracts		
Market value	(0.1)	(0.1)
Nominal amount	4.3	4.5

Given the materiality of such hedging instruments, the Group did not perform sensitivity analysis to assess the impacts of a variation in the exchange rate euro against the hedged foreign currencies. Management estimates that the impacts will not be material.

Note 24, cont.

Fair values of financial assets and liabilities

2022-12-31 (€ in millions)	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Interest-bearing liabilities excluding bank overdrafts	2022-12-31	-	476.1	-	476.1
Cash and cash equivalents including bank overdrafts	2022-12-31	45.0	-	-	45.0
Foreign exchange derivatives	2022-12-31	-	-	-	-

2021-12-31 (€ in millions)	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Interest-bearing liabilities excluding bank overdrafts	2021-12-31	-	459.0	-	459.0
Cash and cash equivalents including bank overdrafts	2021-12-31	51.8	-	-	51.8
Foreign exchange derivatives	2021-12-31	-	-	-	-

The measurement methods and the major assumptions applied to determine the fair value of assets and liabilities are described in detail below.

Derivatives
The fair values of derivative instruments equal the prices that the Group would pay or receive if derivative contracts were sold. They are calculated using quoted prices. Where such prices are not available discounted cash flows using market data are utilized. Options are valued with a standard valuation model using market data.

Loans
The carrying amount of all these items corresponds to their fair value.

Trade payables and other liabilities and receivables
For trade payables and other not derivative-related liabilities and receivables, the fair values are assumed to equal their carrying amounts, given the short maturity of these items, discounting has no material effect.

25 Employee benefit obligations

The Group has defined benefit pension plans for all or part of the employees in Netherlands, France, Germany, Norway, Tunisia and Poland. In all other countries where the Group is operating, the post-employment benefit plans are defined contribution plans. The Group has appointed independent qualified actuaries to perform a valuation of its defined benefit pension plans. In countries where the Group offers defined benefit pension plans, the plans may take the form of pension schemes, end-of-career indemnities (legal or contractual), or other long-term benefits (jubilee awards). The defined benefit pension plans are not covered by any plan assets, except for Netherlands.

In Netherlands the employees are offered an average pay pension plan and a jubilee plan. Participants and employer contribute to the pension plan. In France the employees benefit from statutory retirement indemnities and seniority awards. Both plans consist in a lump sum payable to employees. In other countriescountries, pension plans, retirement indemnities and jubilees are in place.

Pension expenses, defined benefit pension plans

2022-12-31 (€ in millions)	Netherlands	Other	Total
Current service cost	(0.0)	0.0	0.0
Interest on obligation	2.1	0.1	2.2
Interest income	(1.9)	-	(1.9)
Actuarial loss/gain	(2.5)	(0.4)	(2.9)
Total cost of defined benefit pension plans before tax	**(2.3)**	**(0.3)**	**(2.6)**
Whereof reported in:			
the income statement	0.2	0.1	0.3
other comprehensive income	(2.5)	(0.4)	(2.9)

2021-12-31 (€ in millions)	Netherlands	Other	Total	Discontinued operations	Total
Current service cost	3.2	0.8	4.0	(0.5)	3.5
Interest on obligation	1.8	0.2	2.0	(0.1)	2.0
Interest income	(1.6)	-	(1.6)	-	(1.6)
Past service costs and gains/losses on settlements	(7.5)	(0.4)	(7.9)	0.4	(7.5)
Actuarial loss/gain	(3.6)	(1.4)	(5.0)	0.9	(4.1)
Total cost of defined benefit pension plans before tax	**(7.7)**	**(0.8)**	**(8.5)**	**0.8**	**(7.8)**
Whereof reported in:					
the income statement	(4.1)	0.6	(3.5)	(0.2)	(3.7)
other comprehensive income	(3.6)	(1.4)	(5.0)	0.9	(4.1)

Defined benefit pension plans

2022-12-31 (€ in millions)	Netherlands	Other	Total
Defined benefit obligation, funded plans	104.7	-	104.7
Fair value of plan assets	(92.8)	-	(92.8)
Provision for pensions, funded plans	**11.9**	**-**	**11.9**
Defined benefit obligation, unfunded plans	-	4.4	4.4
Provision for pensions, unfunded plans	**-**	**4.4**	**4.4**
Pension provision for defined benefit plans, net	**11.9**	**4.4**	**16.3**

Note 25, cont.

2021-12-31 (€ in millions)	Nether-lands	Other	Total	Discontinued operations	Total
Defined benefit obligation, funded plans	149.7	-	149.7	-	149.7
Fair value of plan assets	(134.6)	-	(134.6)	-	(134.6)
Provision for pensions, funded plans	**15.1**	**-**	**15.1**	**-**	**15.1**
Defined benefit obligation, unfunded plans	-	11.3	11.3	(5.8)	5.5
Provision for pensions, unfunded plans	**-**	**11.3**	**11.3**	**(5.8)**	**5.5**
Pension provision for defined benefit plans, net	**15.1**	**11.3**	**26.4**	**(5.8)**	**20.6**

Movement in defined benefit pension plans

2022-12-31 (€ in millions)	Present value of obligation	Fair value of plan assets	Net
Opening balance	**155.2**	**(134.6)**	**20.6**
Current service cost	0.0	-	0.0
Past service costs and gains/losses on settlements	-	-	-
Interest expense/income	2.2	(1.9)	0.3
	157.4	**(136.5)**	**20.9**
Actuarial gains/losses attributable to:			
Return on plan assets	-	40.3	40.3
Changes in financial assumptions	(50.4)	-	(50.4)
Changes in demographic assumptions	1.0	-	1.0
Experience assumptions	6.2	-	6.2
	(43.2)	**40.3**	**(2.9)**
Plan combinations	(0.5)	-	(0.5)
Employer contributions	-	(0.8)	(0.8)
Employer direct benefit payments	-	(0.3)	(0.3)
Benefit payments from plan assets	(4.1)	4.1	-
Benefit payments from employer	(0.3)	0.3	-
Exchange rate differences	(0.1)	-	(0.1)
Closing balance	**109.1**	**(92.8)**	**16.3**

2021-12-31 (€ in millions)	Present value of obligation	Discontinued operations	Fair value of plan assets	Net
Opening balance	**172.2**	**(1.4)**	**(133.9)**	**36.9**
Current service cost	3.8	(0.5)	0.2	3.5
Past service costs and gains/losses on settlements	(7.9)	0.4	-	(7.5)
Interest expense/income	2.0	(0.1)	(1.6)	0.4
	170.1	**(1.6)**	**(135.3)**	**33.3**
Actuarial gains/losses attributable to:				
Return on plan assets	-	-	5.9	5.9
Changes in financial assumptions	(9.9)	0.5	-	(9.4)
Changes in demographic assumptions	0.5	0.1	-	0.6
Experience assumptions	(1.5)	0.3	-	(1.2)
	(10.9)	**0.9**	**5.9**	**(4.1)**
Employer contributions	-	-	(8.2)	(8.2)
Participant contributions	0.8	-	(0.8)	-
Employer direct benefit payments	-	-	(0.6)	(0.6)
Benefit payments from plan assets	(3.8)	-	3.8	-
Benefit payments from employer	(0.6)	0.2	0.6	0.2
Exchange rate differences	0.1	-	-	0.1
Closing balance	**155.7**	**(0.5)**	**(134.6)**	**20.6**

All of the plan assets are attributable to Netherlands and fully held by insurance company for actual and previous year.

Key assumptions

Discount rates

The discount rate reflects the estimated timing of benefit payments and is used for measuring the present value of the obligation. A fluctuation in the discount rate will have material impact on the pension obligation but will also impact the interest income and expense reported in the finance net. To determine the discount rate, the Mercer Yield Curve are used. The currency and term of the corporate bonds should be consistent with the currency and estimated term of the post-employment benefit obligations. In countries where no deep corporate bond market exist, the discount rate are based on the yield of long-term government bonds.

For Netherlands that represent 73% of total Employee benefit obligations, the discount rate has been calculated using the actual cash flows of the plans, while for other Eurozone plans the standard cash flows are used.

Inflation and Salary increase

The inflation assumptions represent the company's long term view of inflation. A long term inflation assumption in the Eurozone would typically be in line with the long term target of the European Central Bank, of close but lower than 2.00%. Considering market implied inflation and consensus economic forecasts a long term inflation assumption of 2.20% was adopted in the Eurozone, reflecting the inflation expectations compared to previous years.

Salary increase assumptions represents the company's long term view of salary increases. A range of 0.00-1.00% in excess of inflation would typically be deemed reasonable in Eurozone, depending on the view of the Company.

In Netherlands, the inflation and salary increase have been adjusted upwards to reflect short-term expectations.

Weighted average

	Group		Netherlands	
	2022-12-31	2021-12-31	2022-12-31	2021-12-31
Discount rate, %	4.23	1.43	4.20	1.40
Inflation rate, %	2.23	1.75	2.20	1.75
Salary increase, %	3.00	1.50	2.99	2.99

The duration for the main pension plan in Netherlands are 12 years.

Sensitivity analysis

The table below shows how much the present value of defined benefit pension obligation will change if the discount rate changes;

	Group		Netherlands	
	2022-12-31	2021-12-31	2022-12-31	2021-12-31
Discount rate +0,25%	(3.1%)	0.1%	(3.0%)	0.0%
Discount rate -0,25%	2.9%	9.5%	3.1%	10.2%

The company expects to make contributions of approximately EUR 800 thousand to the plans during 2023.

26 Provisions

(€ in millions)	Provisions from restructuring 2022-12-31	Provisions from restructuring 2021-12-31	Provisions from environment 2022-12-31	Provisions from environment 2021-12-31	Other provisions 2022-12-31	Other provisions 2021-12-31	Total 2022-12-31	Total 2021-12-31
Opening balance	**2.5**	**3.9**	**7.6**	**7.6**	**6.9**	**9.5**	**16.9**	**20.9**
New/extended provisions	1.9	1.5	0.0	-	2.7	3.5	4.7	5.0
Reversal of provisions	(1.2)	(3.0)	(0.4)	(0.0)	(3.6)	(6.1)	(5.1)	(9.1)
Exchange rate differences	(0.1)	0.1	(0.1)	0.0	(0.1)	0.0	(0.4)	0.1
Closing balance	**3.1**	**2.5**	**7.1**	**7.6**	**5.9**	**6.9**	**16.1**	**16.9**
Of which non-current provisions	0.6	0.7	6.8	7.1	3.3	3.4	10.7	11.2
Of which current provisions	2.4	1.8	0.3	0.5	2.7	3.5	5.4	5.8

Restructuring provisions
In 2022, the additional restructuring provisions are mainly related to the restructuring program in Sweden that was launched during Q4 2022. The cash out from this provisions are expected to happen mainly during 2023.

In 2021, the additional restructuring provisions are mainly related to moving certain functions from the head office in Paris to the Stockholm office.

Environment provisions
The sites for which an environment provision has been established mainly correspond to those subject to specific obligations for asbestos removal and groundwater remediation, probable outflow obligations or dismantling obligations at the end of the lease. These sites are mainly located in France, Finland and Netherland.

Other provisions
The additional provision during 2022 are mainly related to certain claim in a project Finland. This claims is expected to be settled during 2023. The movement in 2021 is mainly explained by reversal of provision for vacant lease premises in Finland amounting to EUR 2.5 million and reversal of EUR 0.8 million in Spain related to a dispute.

27 Accrued expenses

(€ in millions)	2022-12-31	2021-12-31
Accruals on purchases	13.7	7.5
Accrued bonus expenses	4.0	4.5
Accrued guarantee costs	2.4	1.7
Accrued service fees	0.6	0.2
Accrued restructuring costs	2.8	2.8
Other accruals	11.8	6.6
Total	**35.3**	**23.3**

28 Other liabilities

(€ in millions)	2022-12-31	2021-12-31
VAT payables	28.7	31.6
Personnel taxes	24.0	25.1
Other personnel related liabilities	27.2	28.5
Other liabilities	15.7	17.3
Total	**95.6**	**102.5**

29 Financial instruments and financial risk management

Capital Management - Balance sheet structure and cost of capital
The balance sheet and capital structure of the Group should be maintained strong enough to ensure the Group's ability to fund its operations in all business conditions. The Chief Financial Officer is responsible for the equity and interest bearing liabilities structure of the Group companies. Group Treasury supports the Chief Financial Officer in this task. The Group does not set separate equity ratio or gearing targets to its subsidiaries but it takes into account the specific local conditions of each of them.

The Group companies are responsible for optimizing return on the capital employed. Group Treasury is responsible for minimizing the cost of external debt with respect to the limits defined in the financing and interest rate risk management principles of the Treasury Policy.

Currency risk management
The Group has operations in several countries, mainly in Europe. The Group entities operate to a large extent in their local markets and, consequently, purchases and sales are mainly denominated in their own local currency. The objective of the foreign exchange risk management is to mitigate the adverse effects caused by fluctuations in exchange rates on the Group's cash flows and earnings.

In the course of its operations, the Group is exposed to currency risk in commercial tenders in foreign currency, awarded contracts and any future cash-out transactions in foreign currency. Currency risk management is centralized at Group Treasury level, which is the counter party of the subsidiaries in the hedging operations. The subsidiaries are responsible for identifying and hedging their positions with Group Treasury and Group Treasury is responsible for identifying and hedging the consolidated net position. The most significant currency exposures relate to operations in:
- Europe with British Pound (GBP) until Rail divestment in March 2021, Danish Krone (DKK), Hungarian Forint (HUF), Norwegian Krone (NOK), Polish Zloty (PLN), Romanian Leu (RON) and Swedish Krona (SEK)
- Emerging markets countries with Egyptian Pound (EGP), Indonesian Rupiah (IDR), Moroccan Dirham (MAD) and Tunisian Dinar (TND), Malaysian Ringgit (MYR).

Hedging activities are focused on the transaction risk exposure arising from assets and liabilities denominated in other currencies than the functional currency. The Group does not hedge its conversion exposure. Even if the overall foreign exchange currency exposure is limited, the Group uses foreign exchange forward and option contracts (calls and/or puts) when needed to hedge a foreign exchange risk on some specific transactions. The Group does not apply hedge accounting. As of December 31, 2022, all of these contracts also had a maturity of less than twelve months and their market values were nil, EUR 0.0 million (0.0).

For the year ended December 31, 2022 and 2021, a currency appreciation of 10 percent would have impacted net sales by:

(€ in millions)	2022-12-31	2021-12-31
Change in EUR exchange rate	+/- 10%	+/- 10%
Impact on sales	+/- 64.8	+/- 58.9

The sensitivity analysis is based on net sales denominated in currency other than Euro. Thus, the sensitivity analysis excludes future exposures (for example forecasted highly probable contracted future cash flows or other forecasted currency cash flows). The reasonable possible change in exchange rates has been estimated to 10 percentage points in the value of the euro against the local currencies. The following table summarizes the principal exchange rates that have been used for translation purposes.

Consolidated statement of income (average rate)

Country	In EUR	2022-12-31	2021-12-31
Great Britain	GBP -British Pound	0.85	0.86
Denmark	DKK - Danish Krone	7.44	7.44
Hungary	HUF - Hungarian Forint	391.29	358.52
Norway	NOK - Norwegian Krone	10.10	10.16
Poland	PLN - Polish Zloty	4.69	4.57
Romania	RON - Romanian Leu	4.93	4.92
Sweden	SEK - Swedish Krona	10.63	10.15
Egypt	EGP - Egyptian Pound	20.06	18.57
Indonesia	IDR - Indonesian Rupiah	15,625.25	16,920.72
Maroc	MAD - Moroccan Dirham	10.68	10.63
Tunisia	TND - Tunisian Dinar	3.24	3.29
Malaysia	MYR - Malaysian Ringgit	4.63	4.90

Consolidated statement of position (closing rate)

Country	In EUR	2022-12-31	2021-12-31
Great Britain	GBP -British Pound	0.89	0.84
Denmark	DKK - Danish Krone	7.44	7.44
Hungary	HUF - Hungarian Forint	400.87	369.19
Norway	NOK - Norwegian Krone	10.51	9.99
Poland	PLN - Polish Zloty	4.68	4.60
Romania	RON - Romanian Leu	4.95	4.95
Sweden	SEK - Swedish Krona	11.12	10.25
Egypt	EGP - Egyptian Pound	26.18	17.80
Indonesia	IDR - Indonesian Rupiah	16,519.82	16,100.42
Morocco	MAD - Moroccan Dirham	11.16	10.48
Tunisia	TND - Tunisian Dinar	3.32	3.26
Malaysia	MYR - Malaysian Ringgit	4.71	4.72

Interest rate risk management
The Group's interest rate risk arises from uncertainty created by changes in interest rates affecting the value of the Company, cash flows and financial expenses. The management of interest rate risk is the responsibility of the Group Treasury.

Interest rate sensitivity

	Net debt	+1%	-1,0%
As of 2022-12-31	430.1	1.5	(1.1)
As of 2021-12-31	407.2	1.2	(0.8)

Liquidity risk management
Liquidity risk arises when the finance sources available for a company are insufficient for covering business operations or when funding would turn out to be unreasonably costly. To manage this risk, the Group aims at building and maintaining long-term relationships with financial institutions, balancing the debt maturities over different periods and limiting the concentration over a limited number of financial institutions. The additional working capital and investment financing needs are covered by committed facilities. The Group follows up its liquidity on a regular basis and prepares Group-wide liquidity forecasts to monitor cash available at all time. As of December 31 Cash and cash equivalents amounted to EUR 46.0 million (51.8)

The Group's forecasts and projections, taking into account reasonably possible changes in operating performance, indicate that the Group has sufficient financial resources, together with assets that are expected to generate free cash flow to the Group. As a consequence, the Group has reasonable expectation to be well placed to manage its business risks and to continue in operational existence for the foreseeable future (at least for the twelve month period starting from April 7, 2022). Accordingly, the Group continues to adopt the going concern basis in preparing the consolidated financial statements.

Credit risk management
Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or a customer contract, leading to a loss. Credit risk arises in Group's normal business activities and is on the responsibility of the Group's operative companies. In order to manage the credit risks related to financial transactions, the Group operates with those counter parties that have sufficient credit ratings and uses highly liquid instruments. In various countries, an insurance has been subscribed with some leading credit insurance companies.

Inflation risk management
The cost for components used in the production process such as raw material (for example steel and cement), labour and energy prices are all impacted by the inflationary environment that have been increasing during 2022. In an inflationary environment, it is important for Consolis to have rigorous processes for its cost calculations encompassing updated cost assumptions, as well as to use appropriate commercial terms with various cost pass-through mechanisms, to protect profit margins.

30 Pledged assets and contingent liabilities

Pledged assets

(€ in millions)	2022-12-31	2021-12-31
Real estate mortgages	27.2	16.1
Shares	709.7	675.1
Other mortgages	115.5	107.8
Bank accounts	-	0.1
Responsibilities for own commercial commitments	95.5	166.0
Total	**947.8**	**964.9**

Pledged assets
Real estate mortgages comprises security in certain real estates for local loans in some markets. During the year this line items have increased due to the term loan that was raised in August 2022.

Share include the net book value on the shared pledges under the senior secure notes and RCF (2021 refinancing) and 2022 Term loan. During the year this line items have increased due to the term loan that was raised in August 2022.

Other mortgages comprises factoring receivables.

Commercial commitments
As part of its business, the Group is often required to issue performance guarantees in favour of customers during the tendering process, for the correct execution of contracts or obligations of technical guarantees. Some of these commitments require bank guarantees or insurance bonds issued on the Group credit lines under the form of bid, advance payment, performance or warranty bonds. Some of these commitments require the bank guarantees or insurance bonds issued on the Group's credit lines, without the form of guarantees of submission, repayment of instalments, performance or quality.

Contingent liabilities

Claims & litigations
Certain subsidiaries included in the Group have been subject to claims from direct or indirect customers relating to technical or commercial disputes. Based on management's risk assessment as of December 31, 2022, management believes it has sufficient grounds to defend its economic interests and the unfavourable outcomes have been not been deemed as more likely than not. These claims relate mainly to Morocco and Latvia for a total exposure of approximately EUR 9 million.

Environmental
The Group is also exposed to environmental risks in certain of its industrial sites. These contingent liabilities relate to remediation and decommissioning costs, primarily asbestos removal, depollution and other clean-up costs for which the Group has currently no probable obligation. The Group estimates the exposure to approximately EUR 2.6 million.

31 Transactions with related parties

The related parties of Consolis are its shareholders and their subsidiaries. For list of subsidiaries please refer to note 32. For remuneration to senior management please rfer to note 5.

Consolis Group S.A.S. is ultimately owned by Bain Capital at 95% as of December 31, 2022. Bain Capital means Bain Capital, L.P. and its affiliates and, where applicable, the funds and limited partnerships managed or advised by them. The remaining part is owned by other investors and management.

Transaction with related parties

(€ in millions)	2022-12-31	2021-12-31
Net Sales	0.0	0.4
Overheads and admin costs	(0.6)	(1.1)
Finance net	(18.2)	(21.8)
Total	**(18.8)**	**(22.5)**

Balance sheet positions with related parties

(€ in millions)	2022-12-31	2021-12-31
Non-current financial liabilities	(305.6)	(324.2)
Current financial liabilities	(3.7)	(3.8)
Trade payables and other liabilities	(0.1)	(0.3)
Total	**(309.3)**	**(328.3)**

All significant balances and transactions between the entities that constitute the Consolis group have been eliminated in the preparation of the consolidated financial statements. These balances with related parties resulted primarily from entities that are part of Compact BC S.a.rl. group:

- Transaction as the sale and purchase of goods between group entities (also with discontinued operations);
- Outstanding balances: the invoicing of administrative services, rentals, trademarks and commercial name rights, royalties and other services rendered between group entities;
- Loans between related parties. Transactions between group entities are conducted on arm's length terms based on market prices and conditions. When market prices and/or market conditions are not readily available.

Consolis conducts transfer pricing studies in the countries in which it operates to assure compliance with regulations applicable to transactions between related parties.

All transactions with related parties are executed under market conditions. There were no financial loans granted to the management members of the parent company nor were there any collateral or liability commitments given to them as of December 31,2022.

Shareholder loans and refinancing 2021
On May 7, 2021, Compact Bidco B.V. (the parent company of Consolis Group S.A.S) issued EUR 300 million Senior Secured Notes (Bonds) listed at The International Stock Exchange "TISE" in Guernsey. The fixed interest on the Bonds is 5.75 percentage and the interest is payable twice a year. The Bonds are due on May 1, 2026. The proceeds from the bond emission was cascaded down to Consolis as Shareholder loans. In conjunction with the bond emission a new loan (PIK Loan) amounting to EUR 50 million were raised by Compact Midco 2 B.V., parent of Compact Bidco B.V. and Consolis, from GSO. The cash was then cascaded to Compact Bidco B.V. by capital injection. The debt included in the books of Compact Bidco B.V. and a part of the cash from the capital injection of Compact Midco 2 B.V. (via Compact Midco 3 B.V.) was then cascaded to Consolis through a shareholder financing. The back-to-back intra-Group loan receivables linked to the external funding of the Group are due in full on April 29, 2026. The interest is fixed to 6.58 percent and the accrued interest is payable in cash every six months.

32 Shares in subsidiaries

As of December 31, 2022 and 2021, the scope of consolidation was as follows:

		2022		2021	
Group Companies	Country	Ownership % Group	Consolidation Method	Ownership % Group	Consolidation Method
Consolis Holding S.A.S. (formerly Consolis Group S.A.S.)	France	100.00	Parent company	100.00	Parent company
Addtek Holding International AB	Sweden	100.00	Full	100.00	Full
Addtek International AB	Sweden	100.00	Full	100.00	Full
AESIS Sarl*	France	-	-	100.00	Full
ASA Cons Romania SRL	Romania	100.00	Full	100.00	Full
ASA Èpítoipari Kft	Hungary	100.00	Full	100.00	Full
OÜ House Holding	Estonia	-	-	100.00	Full
BBMP SA	Tunisia	89.23	Full	89.23	Full
Betonika UAB	Lithuania	100.00	Full	100.00	Full
Bonna Genève SA	Switzerland	99.99	Full	99.99	Full
Bonna Sabla SA*	France	-	-	99.99	Full
Bonna Travaux Pression	France	99.99	Full	99.99	Full
Bonna Tunisie SA	Tunisia	91.03	Full	91.03	Full
Bouwstoffen Industrie Weurt B.V	The Netherlands	100.00	Full	100.00	Full
CES OÜ	Estonia	100.00	Full	100.00	Full
CES Romania Srl	Romania	100.00	Full	100.00	Full
Compact France	France	100.00	Full	100.00	Full
Consolis Iberica Holding S.L.U	Spain	100.00	Full	100.00	Full
Condita GmbH	Germany	100.00	Full	100.00	Full
CES Polska Sp. Z.o.o.	Poland	100.00	Full	100.00	Full
Consolis Denmark A/S	Denmark	100.00	Full	100.00	Full
Consolis Elements Sverige AB	Sweden	100.00	Full	100.00	Full
Consolis Finance SAS	France	100.00	Full	100.00	Full
Consolis International SAS	France	100.00	Full	100.00	Full
Consolis Latvija SIA	Latvia	100.00	Full	100.00	Full
Consolis Malaysia Sdn. Bhn	Malaysia	100.00	Full	100.00	Full
Consolis Netherlands BV	The Netherlands	100.00	Full	100.00	Full
Consolis Oy Ab	Finland	100.00	Full	100.00	Full
Consolis Polska Sp. Z.o.o.	Poland	100.00	Full	100.00	Full
Consolis SAS	France	100.00	Full	100.00	Full
DW Beton GmbH	Germany	100.00	Full	100.00	Full
DW Systembau GmbH	Germany	100.00	Full	100.00	Full
E-Betoonelement OÜ	Estonia	100.00	Full	100.00	Full
ECPC Plc	Egypt	60.00	Full	60.00	Full
Leenstra Machine en Staalbouw B.V.	The Netherlands	100.00	Full	100.00	Full
MPB SAS*	France	-	-	99.99	Full
Nebi Verkoopmaatschappij B.V.	The Netherlands	100.00	Full	100.00	Full
OOO Betoonelement SpB	Russia	100.00	Full	100.00	Full
Parastek Holding Oy	Finland	100.00	Full	100.00	Full
Parma Oy	Finland	100.00	Full	100.00	Full
Philbert Tunisie SA	Tunisia	91.71	Full	91.71	Full
Prefabricados Tecnyconta S.L	Spain	100.00	Full	100.00	Full
PT Bonna Indonesia	Indonesia	51.00	Full	51.00	Full
Rajaville OY	Finland	-	-	100.00	Full
Sateba Maroc Srl	Morocco	100.00	Full	100.00	Full
SEN SAS*	France	-	-	99.99	Full
SIA Consolis Elements	Latvia	-	-	100.00	Full
Spaencom A/S	Denmark	100.00	Full	100.00	Full
Spaencom Betonfertigteile GmbH	Germany	100.00	Full	100.00	Full

Note 33, cont.

		2022		2021	
Group Companies	Country	Ownership % Group	Consolidation Method	Ownership % Group	Consolidation Method
Spaencom Betonfertigteile Verwaltungs GmbH	Germany	100.00	Full	100.00	Full
Spanbeton B.V.	The Netherlands	100.00	Full	100.00	Full
Spanbeton N.V.	Belgium	100.00	Full	100.00	Full
Spanbeton Onroerend Goed B.V.	The Netherlands	100.00	Full	100.00	Full
Spenncon A/S	Norway	100.00	Full	100.00	Full
Strängbetong AB	Sweden	100.00	Full	100.00	Full
Strängbetong Rail Holding AB	Sweden	-	Full	100.00	Full
T.C.R. SAS	France	100.00	Full	100.00	Full
Tonful AB	Sweden	100.00	Full	100.00	Full
Tonful Oy	Finland	100.00	Full	100.00	Full
Tubo Fabrega SA	Spain	100.00	Full	100.00	Full
VBI Huissen B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Kampen B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Ontwikkeling B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Oss B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Schuilenburg B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Verkoopmaatschappij B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Verenigde Bouwprodukten Industrie B.V	The Netherlands	100.00	Full	100.00	Full
Verbin Baufertigteile GmbH	Germany	100.00	Full	100.00	Full
Waalwijk Elementen Betonindustrie B.V	The Netherlands	100.00	Full	100.00	Full
ZAO Parastek Beton	Russia	100.00	Full	100.00	Full

33 Significant events after the reporting period

In connection with a system development enabling us to view the project receivables in an even more granular way, certain historical items related to revenue recognition based on percentage of completion were identified. This will not have any cash impact but will result in a reduction of operating profit of approximately EUR 5.7 million in 2023. In order to follow the underlying profitability of the group this will be reported as a non recurring cost.

34 Alternative performance measures

Consolis presents certain financial measures in the annual and sustainability report that are not defined according to IFRS and qualifies as non-GAAP measures. The Company believes that these measures provide valuable supplemental information to stakeholders and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way these are not always comparable to measures used by other companies. These financial measures should therefore not be considered as a replacement for measurements as defined under IFRS.

Metric	Definition	Purpose
Order book	Order agreed with costumer	The key figure used to monitor revenues expectation for coming periods
Order intake	Signed contracts in the period	The key figure used to monitor revenues expectation for coming periods
Book-to-bill	Ratio between the period's order intake and sales	The key figure used to monitor revenues expectation on evaluation of the order book. A ratio of 1 or more indicates a growing order book. where a ratio below 1 indicates that we "consume" more orders than we take in
Growth (%)	Growth consists of the increase in sales in relation to the comparative period. The period's increase in net sales/Net sales in the period of comparison	This key figure is used to follow up the company's sales increase
Acquired growth (%)	The period's net sales growth from acquisitions/the comparative period's net sales	The key figure used to monitor the proportion of the company's sales growth generated through acquisitions"
Foreign exchange (fx) effect on growth (%)	The increase in net sales for the period attributable to change in exchange rates/Net sales in the comparative period	The key figure used to monitor the proportion of the company's sales growth generated through exchange rate fluctuations
Organic growth (%)	The increase in net sales for the period adjusted for acquisitions and exchange rates/Net sales in the comparative period	This key figure is used when analysing underlying sales growth driven by comparable operations between different periods
Operating profit (EBIT)	Profit for the period before financial items and tax Total operating income – Operating expenses	The key figure used to monitor the company's profit generated by operating activities. This key figure enables comparisons of profitability between companies/industries
Items affecting comparability	Items related to events in the company's operations that impact comparability with profit during other periods	The key figure of Items affecting comparability is used to achieve a fair comparison of the underlying development of business operations
EBITDA	Operating profit before depreciation, amortization and impairment of intangible and tangible assets Operating profit (EBIT) + Depreciation, amortization and impairment of tangible and intangible assets	The key figure used to follow up the company's profit generated by operating activities. This key figure enables comparisons of profitability between companies/ industries
Adjusted EBITDA	Operating profit before depreciation/amortization and impairment of intangible and tangible assets adjusted for items from such events in the company's operations that affect comparisons with profit from other periods EBITDA + Items affecting comparability	The key figure of items affecting comparability is used to achieve a fair comparison of the underlying development of business operations
Operating cash flow	Total cash flow from operating activities excluding tax, net financial items and items affecting comparability, as well as cash flow from investing activities excluding acquisitions and divestments of operations Adjusted EBITDA + Changes in working capital + Cash flow from investing activities excl. acquisitions and divestments of subsidiaries + adjustments for cash flow from investing activities related to increased capacity/growth	This key figure shows the cash flow from the company's operations excluding business combinations, company divestments, financing, tax and items affecting comparability and is used to follow up whether the company is able to generate a sufficiently positive cash flow to maintain and expand its operations
Free Cash flow	Total cash flow from operating activities and cash flow from investing activities excluding acquisitions and divestments of operations Cash flow from operating activities + Cash flow from investing activities excluding acquisitions and sales of subsidiaries	This key figure shows cash flow from operating activities including cash flow from investing activities excluding acquisitions and divestments of operations and is used because it is a relevant measure for investors to be able to understand the Group's cash flow from operating activities
Cash conversion (%)	Cash conversion as a percentage is defined as operating cash flow divided by adjusted EBITDA Operating cash flow/Adjusted EBITDA	The key figure used as an efficiency measure of the proportion of a company's profit that is converted to cash. Cash conversion is mainly followed on a twelve month basis
Net debt	The Group's interest-bearing liabilities excluding pension provisions adjusted for cash and cash equivalents Interest-bearing liabilities – cash and cash equivalents	This key figure is a measure of the company's debt/equity ratio and is used by the company to assess its capacity to meet its financial commitments
Net debt / Adjusted EBITDA LTM	Net debt/Adjusted EBITDA LTM is a measure of the debt/equity ratio defined as the closing balance for net debt in relation to last twelve months adjusted EBITDA	The key figure used to monitor the level of the company's indebtedness

Note 34, cont.

Reconciliation alternative performance measures

(€ in millions)	Ref	2022-12-31	2021-12-31
Adjusted EBITDA			
Net Profit or Loss from continued operations	PL	(30.6)	(11.3)
Adjusted for:			
Financial loss / (income)	PL	38.1	35.9
Income taxes	PL	10.8	12.7
Operating profit	PL	**18.4**	**37.3**
Depreciation and amortization	6	44.2	45.1
(Profit) loss from sale of fixed assets	9	(0.7)	(0.4)
Restructuring costs	9	6.7	5.3
Impairment loss / (reversal)	9	7.4	2.4
Pension income	9	-	(8.1)
Other items	9	-	0.2
Adjusted EBITDA		**75.9**	**81.7**
Adjusted EBITDA margin			
Adjusted EBITDA		75.9	81.7
Net Sales	PL	1,295.4	1,106.1
Adjusted EBITDA margin		**5.9%**	**7.4%**
Free cash flow			
Net cash from (used in) operating activities - continued operations	CFS	48.8	46.1
Investments in property, plant and equipment	CFS	(15.3)	(21.3)
Investments in intangible assets	CFS	(1.8)	(4.7)
Free cash flow		**31.7**	**20.1**
Operating cash flow			
Adjusted EBITDA		75.9	81.7
Cash flow from working capital	CFS	(9.9)	(8.9)
Investments in property, plant and equipment	CFS	(15.3)	(21.3)
Investments in intangible assets	CFS	(1.8)	(4.7)
Operating cash flow		**48.8**	**46.9**
Cash conversion			
Operating cash flow		48.8	46.9
Adjusted EBITDA		75.9	81.7
Cash conversion		**64%**	**57%**
Order book			
Remaining performance obligations	4	675.2	841.1
Items not meeting IFRS 15 definition		(1.2)	84.2
Order book		**674.0**	**925.3**

Approval of financial statements

These consolidated financial statements for the year ended December 31, 2022, were authorized for issuance by the President of Consolis Holding S.A.S. on April 20, 2023. The President declare that the consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and give a true and fair view of the Group's financial position and results of operations.

April 20, 2023

Mikael Stöhr
President of Consolis Holding S.A.S

Auditor's report

To the President of Consolis Holding S.A.S. siren number 483 537 122

Report on the consolidated financial statements

Opinions

We have audited the consolidated financial statements of Consolis Holding S.A.S. for the year 2022. The consolidated financial statements are included on pages 61-91 in this document.

In our opinion, the consolidated accounts have been prepared and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Consolis Group SAS and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the President

The President is responsible for the preparation of the consolidated financial statements and that they give a fair presentation in accordance with IFRS as adopted by the EU. The President is also responsible for such internal control as they determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, The President is responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the President intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's and the group's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's and the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the President.
- Conclude on the appropriateness of the President' use of the going concern basis of accounting in preparing the consolidated financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion about the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the President of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Stockholm, April 20, 2023

PricewaterhouseCoopers AB

Patrik Adolfson
Authorized Public Accountant

Detailed sustainability information

The Consolis Annual Report 2022 is the second edition of the Group's joint sustainability report.

Consolis' CEO and Executive Management Team are responsible for integrating group-wide sustainability initiatives into Consolis' business strategy and operations. The Executive Management Team is responsible for monitoring, reporting and ensuring the performance and result.

The Consolis Sustainability Committee sets the Group's sustainability agenda, develops the management approach for each material topic and ensures that sustainability is an integral aspect of the Consolis Code of Conduct, operations, strategy, training, and communication.

The Sustainability Committee ensures that management's approach towards material topics includes necessary components (e.g. policies, responsibilities, resources, etc.) and sets the overall ambition level, targets and activities in order to make sure sustainability ambitions and targets are met. Responsibilities also include stakeholder dialogues and close monitoring of macrotrends and drivers. The Business and Group functions carry out key sustainability activities and report on progress, performance and results.

The Sustainability Committee and the Consolis Executive Management Team regularly review and evaluate the effectiveness of management 's approach for the Group's material topics and all sustainability initiatives, and confirm any sustainability or environmental related certificates.

Governing documents

Consolis Policy Book and policies included therein are approved by the Consolis Supervisory Board. In 2021, an initiative to review certain policies was initiated for re-implementation during 2022, among these being the:

- Consolis Communication Policy
- Consolis Finance Policies
  - Treasury Policy
  - Reporting Policy
  - Risk Management and Internal Control Policy
- Consolis Health & Safety Policy
- Consolis HR Policy
- Consolis IT Policies
  - IT Policy
  - Information Security Policy
- Consolis Legal Policies
  - Alert Channel Policy
  - Anti-Corruption Policy
  - Anti-Money Laundering Policy
  - Competition Compliance Policy
  - Decision-Making Policy
  - Data Privacy Policy
  - Sanctions And Export Control Policy
- Consolis Production Policy
- Consolis Quality Policy
- Consolis Sustainability Policy
- Consolis Technology Policy

Consolis Policy Book is supplemented by Consolis Code of Conduct. The principles of Consolis Code of Conduct are based on Consolis shared values, sustainability focus areas, international legislation, standards and agreements, taking the UN Global Compact and the OECD's guidelines for multinational companies into account. In 2021, the Consolis Code of Conduct was revised and a new version was approved by the Supervisory Board, rolled out and implemented throughout the organization during 2022 through e-learning and on-site training. In addition, a new Consolis Supplier Code of Conduct was implemented.

The General Counsel of Consolis Group is responsible for the Consolis Policy Book, Consolis Code of Conduct and Supplier Code of Conduct, with the assistance of the various functional heads. Consolis Group's Legal, HR and Procurement departments monitor compliance with the Consolis Policy Book, Code of Conduct and Supplier Code of Conduct internally as well as among business partners. Employees are encouraged to report any behavior or activities that can be in breach of Consolis Policy Book, Consolis' Code of Conduct and/or applicable laws and regulations generally, preferably to their managers, or to an HR department representative. In circumstances when such reporting is not possible, or if there is a conflict of interest, or if the case is sensitive in nature, reporting shall be made through the Consolis whistleblower system.

The whistleblower system is managed be a third-party vendor to ensure full privacy. This system enables employees to report potential cases in their native language either through a website or a toll-free phone call. Consolis expects managers to address issues and work to ensure a satisfactory resolution in compliance with Consolis Policy Book, Consolis' Code of Conduct and/or applicable laws and regulations.

Stakeholders and stakeholder dialogue

As an international Group with business and production in 17 countries, it is vital for Consolis to ensure accountability for its actual and potential impact on stakeholders. Consolis engages both directly and indirectly with key investors, customers, business partners, employees and trade unions. In 2021, Consolis performed a strategic sustainability review based on macrotrends, input from key stakeholders and the strategic framework. The review re-confirmed the four sustainability focus areas: Products, Environment, People and Business Ethics.

Consolis actively works with relevant measures for each area to further enhance value creation and compliance, to reduce environmental impact and mitigate sustainability risks.

During 2021, a review of the sustainability aspects was performed based on surveys and in-person meetings with selected key stakeholders and investor input. This review resulted in updated KPIs for internal monitoring of sustainability performance related to climate impact and health and safety.

Certifications

An overview of certificates and international standards applied in the Group is available at consolis.com.

Business and group functions
Carry out key sustainability activities and report on progress, performance and result

CEO and Consolis Executive Management Team
Incorporating global sustainability initiatives into Consolis' strategy and operations as well as overview of reporting, performance and result

Sustainability Committee
Manages the Group's sustainability work

Organization & Governance related to sustainability
Consolis´ Supervisory Board has overall responsibility for monitoring the Group's sustainability work and governing documents.

Consolis Sustainability Committee
The Sustainability Committee meets for quarterly reviews of ongoing initiatives, sustainability reporting and sustainability risk management. The Committee ensures continuous development, review readiness for various sustainability related certificates, ensures quality in external reporting and so on. The Committee reports to Consolis' Executive Management Team (EMT) and the CEO and the EMT report on a regular basis to Consolis' Supervisory Board.

Supervisory Board

Executive Management Team
BU Leaders, Functional Heads

Values and leadership – the basis for sustainable business practices

Sustainability management, coordination and reporting
CHRO and Group Sustainability Manager

SVP Operational Development

Product development
Local Technical Managers & GTDC

Concrete development
Local Concrete Technology Managers & GMDC

Health, Safety and Environment
Local HSE organization & Group HSE

Scope 1 emissions
Energy, water and waste management
Local production organizations Group Operational Development

Scope 2 and Scope 3 emissions
Responsible sourcing
Local procurement & Group Supply Chain Management

CHRO

Diverse, inclusive and engaging workplaces with equal development and career opportunities
Local HR & Group HR

CFO & General Counsel

Governance
Chairman, CEO

Consolis´ Group policies
General Counsel

Business Ethics
General Counsel

Finance & Taxes
CFO

Cyber Security
IT Director

Communication
Group Communications Director & Team (External & Internal Communication)

Consolis' Triple Bottom Line
The Group applies a holistic perspective to its business, which is why Consolis takes a clear triple-bottom-line approach to managing business performance.

By focusing on people - including employees, customers, suppliers, neighbors and communities - the Group is likely to have less employee turnover, more long-term customers, avoid disputes and have stronger goodwill.

By taking responsibility for our impact on the environment and planet, we are likely to use fewer resources over time, saving costs and causing less pollution, which in turn can reduce the number of regulatory requirements.

Consolis' Triple Bottom Line can ultimately improve financial performance, reduce operating costs, improve brand image and reputation, increase sales and customer loyalty, and increase productivity.

Consolis' triple-bottom line is tracked in regular business reviews and also quarterly in the Sustainability Committee. Consolis' Triple Bottom Line is aligned with UN sustainable development goals (SDGs) and highlights the Group's opportunities to contribute to a better and more sustainable world.

Business

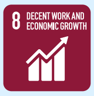
AMBITION

"We aim to have industry leading customer satisfaction and constant profitable growth"

TARGET AREAS

- Customer satisfaction
- Financials
  - Growth
  - EBITDA
  - Cash generation

UN GLOBAL GOALS



Social

AMBITION

"We aim to have zero accidents and engaged and motivated employees with equal opportunities"

TARGET AREAS

- Health & Safety
- Employee engagement
- Diversity and Inclusion
- Business Ethics and Governance

UN GLOBAL GOALS

Environment

AMBITION

"We aim to develop CO_2 neutral operations and a Circular business"

TARGET AREAS

- CO_2 reduction
- Circular economy
- Zero Waste/reduced environmental impact in own operations
- Responsible sourcing

UN GLOBAL GOALS

Sustainability reporting 2022

	2022	2021	GRI	Triple Bottom Line	Contribution to UN SDGs
People					
% of total employees that have had a performance review	to be measured 2023*	to be measured 2022	404-3	•	5, 8, 10
Average hours of training that the organization's employees have undertaken	6.7	to be measured 2022	404-1		5, 8, 10
% of female employees in EMT (Executive Management Team)	25	25	405-1	•	5, 8, 10
% of female employees in Senior Management (Group functions and BU mgmt)	28	28*	405-1	•	5, 8, 10
% of female employees in Consolis Group	9	8*	405-1	•	5, 8, 10
Lost Time Injury Frequency Rate (LTIFR)	4.8	6.9	403-9	•	8
Total Registered Injury Frequency Rate (TRIFR)	9.4	13.7	403-9	•	8
Employee engagement index	3.6*	to be measured 2022		•	
% of management and professional positions filled with internal candidates	64	to be measured 2022		•	
Environment					
Total Scope 1 & 2 emissions in tCO_2e**	35,033	40,059*	305-1, 305-2	•	12, 13
Intensity Scope 1 & 2 emissions in kg/ tCO_2e of production**	7.6	9.2*	305-4	•	13
Total major Scope 3 emissions in tCO_2e**	681,078	669,868*	305-3	•	12, 13
Intensity major Scope 3 emissions in kg/ tCO_2e of production**	147.6	153.7*	305-4	•	13
Total energy consumption in GJ	710,835	739,585*	302-1		8, 12, 13
Energy consumption in MJ per t of production	154	170*	302-3		8, 12, 13
Total water consumption from all areas in megaliters	825	796	303-3		8, 12
Water consumption from all areas in liters per t of production	179	183			8, 12
% of renewable input materials used to manufacture primary products	to be measured 2023	to be measured 2022	301-1		8, 12
% of recycled input materials used to manufacture primary products	to be measured 2023	to be measured 2022	301-2	•	8, 12
Total weight of waste generated in metric tons	234,509	243,195*	306-3		12
Weight of waste generated in kg per t of production	51	56*			12
Ethics & responsible sourcing					
% of active employees completed Code of Conduct training	>99*	to be measured 2022	2-23, 2-26	•	16
% of targeted employees completed specific training on anti-bribery and anti-competitive behavior	>99*	to be measured 2022	205, 206	•	16
% of new suppliers screened using environmental criteria	100	to be measured 2022	308-1	•	12, 13
% of new suppliers screened using social criteria	100	to be measured 2022	414-1	•	8, 16
Business					
NPS Score	33	43		•	
Organic revenue growth	18.4%	6.0%		•	
Group EBITDA margin	5.9%	7.4%		•	
Cash conversion	64%	57%		•	

* Adjusted performance indicators. For details see Comments to Sustainability reporting 2022.
** Operational control consolidation approach following GHG Protocol Corporate Accounting and Reporting Standard was followed for consolidating Scope 1, Scope 2 and major Scope 3 emissions of Consolis' production units. Fuel, electricity and heating have been included in the Scope 1 and Scope 2 emissions. While major Scope 3 emissions include cement and reinforcement production related emissions.

Comments to Sustainability Reporting 2022

Consolis aligns its measurements with internationally recognized reporting principles such as Global Reporting Initiative, Un Global Compact, and ESG reporting to make the information transparent and the development traceable over time.

When consolidating and auditing the sustainability data for 2022 some adjustments were made to the sustainability data reported in 2021.

Adjusted data for PEOPLE

% of female employees in Senior Management (Group functions and BU mgmt): Definition changed to Senior Management (covering Group functional and BU Management teams)

% of female employees in Consolis Group. Previous print error corrected from 10 to 8.

Employee engagement index: Market benchmark is 3.6

Adjusted data for ENVIRONMENT

Total Scope 1 & 2 emissions in tCO_2e: Some emission factors for electricity have been adjusted after obtaining more accurate data which has led to a total Scope 1 & 2 emission increase by 1.3% in 2021 compared to previous calculations.

Intensity Scope 1 & 2 emissions in kg/ tCO_2e of production: Some emission factors for electricity have been adjusted after obtaining more accurate data which has led to relative Scope 1 & 2 emissions increasing by 1.0% in 2021 when compared to previous calculations.

Total major Scope 3 emissions in tCO_2e: Some reinforcement consumption-related data have been adjusted after obtaining more accurate data via the ERP system, and some data that was missing is now included. We have also adjusted emissions for prestressing steel as a result of supplier updated EPD data. All this has led to a major Scope 3 emission increase by 3.5% in 2021 compared to previous calculations.

Intensity major Scope 3 emissions in kg/ tCO_2e of production: Some reinforcement consumption related data have been adjusted after obtaining more accurate data via the ERP system,and some data that was missing is now included. We have also adjusted emissions for prestressing steel as a result of supplier updated EPD data. All this has led a relatively major Scope 3 emission increase by 3.5% in 2021 when compared to previous calculations.

Total energy consumption in GJ: Some energy consumption was missing that is now included. This has led to an energy increase by 6.9% in 2021 when comparing with what was previously calculated.

Energy consumption in MJ per t of production: Some energy consumption was missing and now it is included. This has led to relative energy increase by 6.7% in 2021 when compared to previous calculations.

Total weight of waste generated in metric tons: Some errors have been identified in some of the waste data. This has led to a waste increase by 7.2% in 2021 when compared to previous calculations.

Weight of waste generated in kg per t of production: Some errors have been identified in some of the waste data. This has led to a relative waste increase by 7.3% in 2021 when compared to previous calculations.

Comment Ethics & responsible sourcing

% of active employees completed Code of Conduct training: (active employees excluding employees on extended leave)

% of targeted employees completed specific training on anti-bribery and anti-competitive behavior: (active employees excluding employees on extended leave)

Total Full-Time Equivalent per 31 December 2022

	2022									2021		
	No of Employees	Of which, female	Of which full-time	Of which part-time	Temporary	Of which male	Of which full-time	Of which part-time	Temporary	No of Employees	Of which, female	Of which male
East Nordic	**1,207**	**120**				**1,087**				**1,381.1**	**126.1**	**1,255**
Estonia	226	36	36	0	0	190	190	0	0	292	35	257
Finland	635	53	51	2	0	582	560	11	11	669.1	56.1	613
Latvia	253	20	20	0	0	233	203	0	30	313	23	290
Lithuania	93	11	11	0	0	82	78	0	4	107	12	95
Eastern Europe	**780**	**106**				**674**				**782**	**121.8**	**660.2**
Hungary	263	32	30	2	0	231	228	3	0	244.8	32.4	212.4
Poland	327	60	56	0	4	267	258	2	7	320	55	265
Romania	190	14	13	1	0	176	169	7	0	217.2	34.4	182.8
Emerging Markets	**2,469**	**67**				**2,402**				**2,702**	**60**	**2,642**
Egypt	742	14	6	0	8	728	614	0	114	808	9	799
France	113	11	10	0	1	102	95	2	5	127	9	118
Indonesia	138	12	4	7	1	126	123	0	3	217	7	210
Korea	0	0	0	0	0	0	0	0	0	1	0	1
Tunisia	1,476	30	19	0	11	1,446	722	0	724	1,549	35	1,514
West Nordic	**1,826**	**189**				**1,637**				**1,852**	**173.5**	**1,678.5**
Denmark	511	47	37	10	0	464	458	6	0	557.3	44.7	512.6
Norway	401	34	33	0	1	367	365	0	2	371	26.7	344.3
Sweden	914	108	98	6	4	806	774	15	17	923.7	102.1	821.6
Western Europe	**1,075**	**138**				**937**				**1,034**	**140**	**894**
Germany	92	17	7	10	0	75	47	17	11	89.1	18	71.1
Spain	372	57	52	0	5	315	282	33	0	357.3	70	287.3
Netherlands	611	64	22	35	7	547	454	53	40	587.6	52	535.6
Group	64	21				43				61	21	40
Sweden	30	7	7	0	0	23	23	0	0	22	4	18
Finland	18	2	2	0	0	16	16	0	0	13	2	11
France	16	12	12	0	0	4	4	0	0	26	15	11
Total Employees	**7,421**	**641**	**526**	**73**	**42**	**6,780**	**5,663**	**149**	**968**	**7,812.1**	**642.4**	**7,169.7**
Hired Labor	**680**									**1,147**		
Total FTE	8,101									8,959.1		

Consolis Membership Associations

Country	Industry Associations	Employers Associations
Consolis Group	International Federation for Structural Concrete	
	SBTi, European Committee for Standardization,	
Denmark	Dansk Beton, Betonelementforeningen, DI Dansk Byggeri, Rådet for Bæredygtigt Byggeri, European Committee for Standardization, IPHA, BIBM	Danish Industry
Egypt		General Trade Union for Building and Wood Industries Workers in Egypt.
Estonia		
Finland	Finnish Concrete Association, European Committee for Standardization	Confederation of Finnish Construction Industries RT (Rakennustuoteteollisuus).
France		National Union of Quarry and Building Materials Industries – UNICEM
Germany		Bundesverband Spannbeton-Fertigdecken e.V. (BVSF)
Hungary	MABESZ (Hungarian Association of Precasters), IPHA, Padló Szövetség (Association of Flooring Companies), ÉVOSZ (National Association of Construction Entrepreneurs)	Munkástanácsok Országos Szövetsége national union.
Indonesia		
Latvia		
Lithuania		
Netherlands	IPHA, European Committee for Standardization	Bond Van Fabrikanten Van Betonproducten in Nederland (BFBN)
Norway	Betong Norge, Byggevareindustrien, European Committee for Standardization, IPHA	NHO - Naeringslivets Hovedorganisasjon
Poland		
Romania	Prefbeton, Branch Association of Precast Producers from Romania	Alfa Cartel Union
Spain	National Association of the Precast Concrete Industry (ANDECE), Association for the Development of Prefabricated High-Rise Housing (VIVALT)	National Association of the Precast Concrete Industry (ANDECE) Association for the Development of Prefabricated High-Rise Housing (VIVALT)
Sweden	Svensk Betong, Betongföreningen, Håll Nollan	Industriarbetsgivarna, Byggföretagen
Tunisia		UTICA, CTFCI

GRI content index

Statement of use	Consolis has reported in accordance with the GRI Standards for the period 1 January - 31 December 2022
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None apply

			Omission		
Gri standard/ other source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	A–C. p. 78 (Governance) D. p. 24–33 (Markets)			
	2-2 Entities included in the organization's sustainability reporting	A. Note 32 B. p. 89 Auditor's report C. p. 64–67 Note 1			
	2-3 Reporting period, frequency and contact point	p. 99			
	2-4 Restatements of information	p. 96- 97			
	2-5 External assurance	A. Auditor's report for the Financial statements (p. 89) and Governance section (p. 78) B. No external assurance for non-financial part of the report (p. 37)			
	2-6 Activities, value chain and other business relationships	A. Consolis today (p. 3) B. Business model (p. 12–13), Our Markets section (p. 22–33), C. no other relevant business relationships D. p.7–8			
	2-7 Employees	People (p. 46-53), Detailed sustainability information(p.97)			
	2-8 Workers who are not employees	People (p. 46-53)			
	2-9 Governance structure and composition	Governance (p. 56-59)			
	2-10 Nomination and selection of the highest governance body	Governance (p. 56-59)			
	2-11 Chair of the highest governance body	Governance (p. 56-59)			
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance (p. 56-59), Detailed sustainability information (p. 93-98)			
	2-13 Delegation of responsibility for managing impacts	Governance (p. 56-59), Detailed sustainability information (p. 93-95)			
	2-14 Role of the highest governance body in sustainability reporting	Detailed sustainability information (p. 93-95)			
	2-15 Conflicts of interest		2-15 omitted	Information unavailable	No such processes are in place.
	2-16 Communication of critical concerns	Governance (p. 56-59), Business etchics (p. 52–53)			
	2-17 Collective knowledge of the highest governance body		2-17 omitted	Information unavailable	No such processes are in place.

Gri standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
GRI 2: General Disclosures 2021, cont	2-18 Evaluation of the performance of the highest governance body		2-18 omitted	Information unavailable	No such processes are in place.
	2-19 Remuneration policies	Note 5			
	2-20 Process to determine remuneration	Note 5			
	2-21 Annual total compensation ratio		2-21 omitted	Information unavailable	We do not have a system that can provide this information.
	2-22 Statement on sustainable development strategy	CEO word p. 6–7			
	2-23 Policy commitments	Detailed sustainability information (p.93)			
	2-24 Embedding policy commitments	Detailed sustainability information (p.93)			
	2-25 Processes to remediate negative impacts		2-25 omitted	Information unavailable	No such processes are in place.
	2-26 Mechanisms for seeking advice and raising concerns	Business etchics (p. 52–53), Detailed sustainability information (p. 93)			
	2-27 Compliance with laws and regulations	Business etchics (p. 52–53)			
	2-28 Membership associations	Detailed sustainability information (p. 98)			
	2-29 Approach to stakeholder engagement	Detailed sustainability information (p.93)			
	2-30 Collective bargaining agreements	People (p. 46-53), Detailed sustainability information(p.98)			

Gri standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Consolis' sustainability framework (p. 35–36), Detailed sustainability information (p. 93–94)			
	3-2 List of material topics	Consolis' sustainability framework (Figure 2)			
Business ethics					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), Business etchics (p. 54-55), Detailed sustainability information (p. 93–98), Consolis' Triple Bottom Line (p. 97)			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Business etchics (p. 54-55), Detailed sustainability information (p. 93–98)			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business etchics (p.54-55)			
Circular Economy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Detailed sustainability information (p. 93–98), Consolis' Triple Bottom Line (p. 95)			
GRI 301: Materials 2016	301-2 Recycled input materials used	Our Markets (p. 25, p. 27, p. 31, p. 33), Environment (p. 38–43), Detailed sustainability information (p. 93–98)	NA recycled input materials used	Information unavailable/ incomplete	Information on recycled input materials used is planned to be obtained during the next reporting period
Energy use					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Detailed sustainability information (p. 93–98)			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Our Markets (p. 25, p. 31, p. 33), Environment (p. 38–43), Detailed sustainability information (p. 96–97)	NA fuels split into non-renewable and renewable NA cooling and steam consumption, energy sold Source of the conversion factors used are available on request.	Information unavailable/ incomplete	Information on fuels split into non-renewable and renewable, cooling and steam consumption, energy sold is planned to be obtained during the next reporting period
Water use					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Markets (p. 27, p. 31, p. 33), Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Detailed sustainability information (p. 93–98)			
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Environment (p. 38–43), Detailed sustainability information (p. 96–97)	NA water withdrawal from all areas with water stress NA a breakdown of the total water withdrawal by sources/categories	Information unavailable/ incomplete	Information on water withdrawal from all areas with water stress and a breakdown of the total water withdrawal by sources/ categories is planned to be obtained during the next reporting period
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Detailed Sustainability information (p. 93–98)			

Gri standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment (p. 38–43)	NA operational sites in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information unavailable/ incomplete	Information on operational sites in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas is planned to be obtained during the next reporting period
CO_2/ Climate Change					
GRI 3: Material Topics 2021	3-3 Management of material topics	A Consolis made stronger by the challenges we've faced (p. 4–5), A strategy for a sustainable future (p. 10–11), Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Consolis' Green Spine Line ® paves the way forward (p. 44–45), Detailed Sustainability information (p. 93–98), Consolis' Triple Bottom Line (p. 95)			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our Markets (p. 25, p. 27, p.29, p. 31, p. 33), Environment (p. 38–43), Detailed sustainability information (p. 93–98)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	
	305-2 Energy indirect (Scope 2) GHG emissions	Our Markets (p. 25, p. 27, p.29, p. 31, p. 33), Environment (p. 38–43), Detailed sustainability information (p. 93–98)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	
	305-3 Other indirect (Scope 3) GHG emissions	Our Markets (p. 25, p. 27, p.29, p. 31, p. 33), Environment (p. 38–43), Detailed sustainability information (p. 93–98)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	
Sustainable products					
GRI 3: Material Topics 2021	3-3 Management of material topics	A Consolis made stronger by the challenges we've faced (p. 4–5), A strategy for a sustainable future (p. 10–11), Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Consolis' Green Spine Line ® paves the way forward (p. 44–45), Detailed Sustainability information (p. 93–98), Consolis' Triple Bottom Line (p. 97)			
Green Spine Line®	Sales and impact of Green Spine Line® certified products	A Consolis made stronger by the challenges we've faced (p. 4–5), A strategy for a sustainable future (p. 10–11), Our Markets (p. 25, p. 27, p. 29), Consolis' Green Spine Line ® paves the way forward (p. 44–45)			
Environmental Product Declaration (EPD)	Business Unit Countries having third party verified EPDs in place	Environment (p. 38–43), Our markets (p. 27)			

Gri standard/ other source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 305: Emissions 2016	305-4 GHG emissions intensity+B112	Environment (p. 38–43), Detailed sustainability information (p. 93–98)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	
GRI 302: Energy 2016	302-3 Energy intensity	Environment (p. 38–43), Detailed sustainability information (p. 93–98)			
Water consumption	Water intensity	Environment (p. 38–43), Detailed sustainability information (p. 93–98)			
Waste generated	Waste intensity	Environment (p. 38–43), Detailed sustainability information (p. 93–98)			
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Detailed sustainability information (p. 93–98)			
GRI 306: Waste 2020	306-3 Waste generated	Environment (p. 38–43), Detailed sustainability information (p. 93–98)	NA a breakdown of total waste generated by composition of the waste.	Information unavailable/ incomplete	A breakdown of total waste generated by composition of the waste is planned to be obtained during the next reporting period
Responsible sourcing					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), Environment (p. 38–43), Detailed Sustainability information (p. 93–98)			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Environment (p. 42), Detailed Sustainability information (p. 93–98)			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Environment (p. 42), Detailed Sustainability information (p. 93–98)			
Health & Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), People (p. 46-53), Detailed sustainability information (p. 93–98), Consolis' Triple Bottom Line (p. 95)			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People (p. 46-53), Detailed sustainability information (p. 93–98)			
	403-2 Hazard identification, risk assessment, and incident investigation	People (p. 46-53, Detailed sustainability information (p. 93–98)			
	403-3 Occupational health services	People (p. 46-53), Detailed sustainability information (p. 93–98)			
	403-4 Worker participation, consultation, and communication on occupational health and safety	People (p. 46-53), Detailed sustainability information (p. 93–98)			
	403-5 Worker training on occupational health and safety	People (p. 46-53), Detailed sustainability information (p. 93–98)			
	403-6 Promotion of worker health	People (p. 46-53), Detailed sustainability information (p. 93–98)			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People (p. 46-53), Detailed sustainability information (p. 93–98)			
	403-9 Work-related injuries	People (p. 46-53), Detailed sustainability information (p. 93–98)			

Gri standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
People development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), People (p. 46–53), Detailed sustainability information (p. 93–98), Consolis' Triple Bottom Line (p. 95)			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People (p. 46–53), Detailed sustainability information (p. 93–98)			
	404-3 Percentage of employees receiving regular performance and career development reviews	People (p. 46–53), Detailed sustainability information (p. 93–98)	NA % of total employees that have had a perfor-mance review	Information unavailable/ incomplete	Information on % of total employees that have had a perfor-mance review is planned to be obtained during the next report-ing period.
Diversity & Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), People (p. 46–53), Detailed sustainability information (p. 93–98)			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People (p. 46–51), Detailed sustainability information (p. 93–98)			
Corporate Governance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 35–37), Governance (p. 56–59), Detailed sustainability information (p. 93–98), Consolis' Triple Bottom Line (p. 95)			
GRI 2: General Disclosures 2021	Disclosure 2-9 Governance structure and composition	Governance (p. 56-59)			

Financial calendar

Annual report and sustainability report on April 28, 2023	Q1 Interim report on May 17, 2023	Q2 Interim report on July 21, 2023	Q3 Interim report on November 16, 2023

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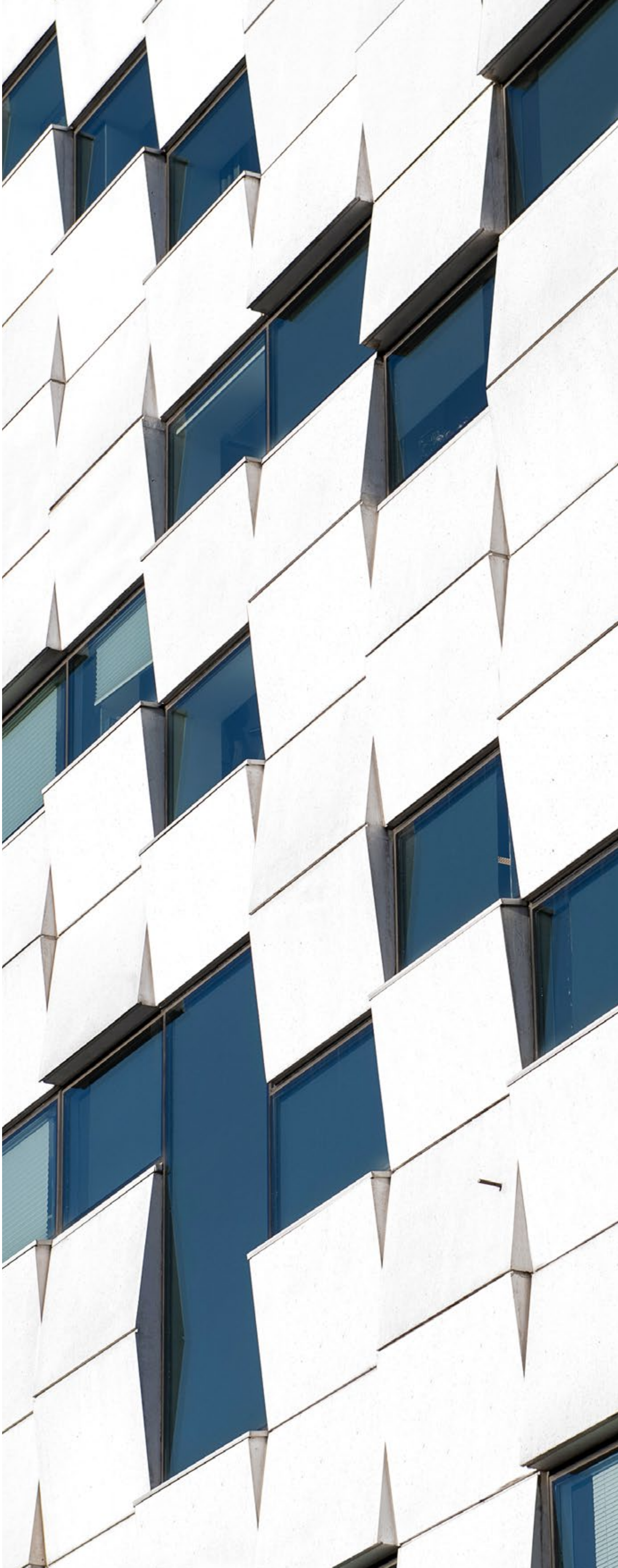

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