2019 UNIVERSAL REGISTRATION DOCUMENT

GETLINK SE

GETLINK

CONTENTS

1. PRESENTATION OF THE GROUP AND ITS BUSINESSES 1

1.1	Profile	3
1.2	Eurotunnel's cross-Channel activities	10
1.3	Europorte activities	21
1.4	ElecLink activities	23
1.5	Getlink activities	25
1.6	Major investments	26

2. RESULTS AND OUTLOOK 29

2.1	Analysis of consolidated financial results	31
2.2	Annual financial statements	40
2.3	Outlook, objectives, recent events and events after the reporting period	113
2.4	Other financial information	116

3. RISKS AND CONTROL 119

3.1	Risk factors	121
3.2	Legal and arbitration proceedings	136
3.3	Insurance and risk coverage	138
3.4	Internal control and risk management arrangements	138

4. CORPORATE GOVERNANCE 145

4.1	General management	147
4.2	Composition and functioning of the Board of Directors	153
4.3	Statutory auditors' report on regulated agreements	187
4.4	Corporate governance code	188
4.5	Attendance by shareholders at the General Meeting and current delegations	188

5. BOARD AND SENIOR MANAGEMENT REMUNERATION 189

5.1	Remuneration of the executive officers	191
5.2	Summary tables of remuneration paid or awarded to each executive officer	209
5.3	Share option plans/allocations of preference shares: past allocations to executive officers	216
5.4	Senior management remuneration	217

6. CORPORATE SOCIAL RESPONSIBILITY 219

6.1	Material challenges	221
6.2	Active governance for sustainable growth	224
6.3	Governance and reliability of operations	225
6.4	Customer service	228
6.5	Employee well-being and social performance	229
6.6	Environmental protection	233
6.7	Community and local development	238
6.8	Methodology	239
6.9	GRI 4 cross-reference table	241
6.10	List of non-financial indicators	245
6.11	Report by the independent third party on the non-financial performance statement included in the Group management report	248

7. SHARE CAPITAL AND OWNERSHIP 251

7.1	Share capital	253
7.2	Dividend policy	256
7.3	Share buyback	257
7.4	Major shareholders	258
7.5	Travel privileges	260

8. ADDITIONAL INFORMATION 261

8.1	Regulatory framework	263
8.2	Material contracts	265
8.3	Constitutional document and Articles of Association	274
8.4	Information on shareholdings	276
8.5	Statutory auditors	280
8.6	Responsible person	280
8.7	Information received from third parties, statements of experts and interested parties	281
8.8	Documents available to the public	281

DEFINITIONS	282
UNIVERSAL REGISTRATION DOCUMENT CHECKLIST	286
TABLE OF CROSS-REFERENCES	289

2019 UNIVERSAL REGISTRATION DOCUMENT*

The term "Getlink SE" in this Universal Registration Document refers to the holding company which is governed by French law.
The term **"Group"** refers to the economic grouping consisting of Getlink SE and all its subsidiaries. Unless otherwise indicated, the information in this Universal Registration Document originates from sources within the Group.

This Universal Registration Document was filed on 17 March 2020 with the *Autorité des marchés financiers* (the French financial market regulator, or AMF), in its capacity as the competent authority under (EU) Regulation n° 2017/1129 without prior approval in accordance with Article 9 of the said Regulation. This document can only be used to support a financial transaction when accompanied by a securities note and, where appropriate, a summary and the amendments made to the universal registration document. This document is approved by the AMF in accordance with (EU) Regulation n° 2017/1129.
This Universal Registration Document is available on the websites of the AMF (www.amf-france.org) and Getlink SE (www.getlinkgroup.com).
Unless indicated otherwise, all the figures in this Universal Registration Document have been calculated by applying either the euro/sterling exchange rate on 31 December 2019 (£1=€1.175) for balance sheet items, or the average rate for 2019 (£1=€1.140) for elements of the income statement.

In application of article 19 of (EU) Regulation n°2017/1129, the following information is included in this Universal Registration Document by reference:

— Getlink SE's consolidated accounts for the year ended 31 December 2018 prepared in accordance with IFRS and the report of the statutory auditors thereon, as well as the Group's operating and financial review for the year ended 31 December 2018, are included in Getlink SE's Registration Document for 2018 filed with the AMF on 15 March 2019;
— Getlink SE's parent company accounts for the year ended 31 December 2018 prepared in accordance with French accounting standards and the report of the statutory auditors thereon are included in Getlink SE's Registration Document for 2018 filed with the AMF on 15 March 2019;
— Getlink SE's consolidated accounts for the year ended 31 December 2017 prepared in accordance with IFRS and the report of the statutory auditors thereon, as well as the Group's operating and financial review for the year ended 31 December 2017, are included in Getlink SE's Registration Document for 2017 filed with the AMF on 13 March 2018; and
— Getlink SE's parent company accounts for the year ended 31 December 2017 prepared in accordance with French accounting standards and the report of the statutory auditors thereon are included in Getlink SE's Registration Document for 2017 filed with the AMF on 13 March 2018.

* This document (the "2019 Universal Registration Document") is a free English language translation of Getlink SE's "Document d'Enregistrement Universel 2019" filed with the AMF on 17 March 2020. In the event of any inconsistencies between this document and the original French document, the text of the French document shall be considered authoritative.

2019 FINANCIAL RESULTS*

€1.085Bn

Revenue
(+€1M)

- **€560M**
  EBITDA
  (-2%)
- **€409M**
  EBIT
  (+3%)
- **€159M**
  Net consolidated result
  (+20%)
- **€241M**
  Free cash flow
  generated in 2019
- **€525M**
  Cash position
  as at 31 December 2019

+14%

increase in dividend,
to **€0.41** per share in 2019
€225M total dividend amount
for 2019 to be paid in 2020

+37%

GET share performance
from 1st January 2019
to 25 February 2020

€9Bn

Market capitalisation
as at 25 February 2020

* At the 2019 exchange rate of £1=€1.14
for the income statement.

JACQUES GOUNON
Chairman and Chief Executive Officer of Getlink

"Getlink has achieved its highest net result since 2007 on a like-for-like basis. The Group performed robustly in 2019, in line with our forecasts and in line with market expectations, despite a changing and complex environment"

A solid performance in 2019

The Group's consolidated revenue for the 2019 financial year amounts to €1.085Bn, a very slight increase compared to 2018. Consolidated EBITDA was in line with guidance at €560M, down €12M compared to 2018. Operating profit was €409M, up €13M. The Group's consolidated net profit for the 2019 financial year was €159M compared to €132M in 2018, a strong increase of 20%.

2020: a robust economic model

Building on its solid results in 2019, Getlink confirms its confidence in the robustness of its economic model. The economic context is however still uncertain following the United Kingdom's exit from the European Union on 31 January 2020 and the possible consequences of the Covid-19 coronavirus crisis. The uncertain short-term environment does not diminish the Group's confidence in the soundness of its various businesses and their growth potential in the medium and long-term.

OUR BUSINESS MODEL

A major player in mobility infrastructure, international trade and leader in eco-responsible transport, Getlink works every day to create greater efficiency in the economy and more well-being for all its stakeholders, by bringing people, business and culture together. Capitalising on the Group's expertise and rail infrastructure for more than 25 years, Getlink regroups the activities of four complementary commercial brands.

A unique positioning based on sustainable and complementary activities, a source of resilience with strong potential for growth…

OUR ASSETS

- Strong and lasting territorial roots in the Kent and Calais regions
- Teams skilled in managing complex infrastructures
- A range of services helping to meet environmental challenges
- A corporate culture based on ethics, joint commitment, and customer value
- The cross-Channel Fixed Link, the fastest way to cross the Short Straits between the UK and continental Europe
- A very long-term Concession (until 2086), with a secure legal framework
- A market capitalisation of €9Bn

OUR SUSTAINABLE AND COMPLEMENTARY ACTIVITIES

EUROTUNNEL

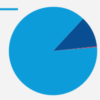
88%*

Manager of the Channel Tunnel infrastructure, iconic and long-term Concession and rail transport operator running a service of cross-Channel Shuttles for passenger vehicles, Eurotunnel Le Shuttle, and trucks, Eurotunnel Le Shuttle Freight

EUROPORTE

12%*

France's leading private rail freight operator



ElecLink

The future electrical interconnector between the UK and France

CIFFCO

The leading private railway training centre

*as a percentage of revenue

- **1.6M** trucks transported in 2019
- **2.6M** cars transported
- **7.5M** net tonnes of goods transported by Europorte
- **1 GW** future electrical interconnector between France and the UK via the Tunnel
- **6.1M** tonnes of CO_2 emissions will be saved over ten years, once the future ElecLink interconnector is commissioned

… for transport that is fast and high-quality…

OUR PROMISES TO CUSTOMERS

- **SAFE** – Never compromise on safety
- **GREEN** – Provide eco-responsible services
- **SMART** – Digitalise to provide an enhanced experience for the well-being of people
- **PREMIUM** – Offer a unique and high-quality travel experience

… creating value for the Group, its stakeholders and the territories.

OUR SHARED VALUE CREATION

FOR THE GROUP
- €560M EBITDA
- €409M EBIT
- €159M consolidated net profit
- €241M Free Cash Flow
- €525M cash position at 31/12/2019
- -13% reduction in greenhouse gas emissions (vs 2018)

FOR THE TERRITORIES
- Involvement in the territories: nature reserve (UK), eco-pasture (France), wind farm
- 8,000 direct and indirect jobs
- Support for local communities: digital development, skill sharing
- Mission of land developer around the Concession

FOR EMPLOYEES, CUSTOMERS AND SUPPLIERS
- 21M passengers in 2019 including almost half of them on Eurotunnel Shuttles and the rest on Eurostar
- 3,539 employees
- 236 recruitments
- 3.1 frequency rate of lost-time accidents
- 98,610 hours of training

FOR SHAREHOLDERS AND INVESTORS
- 26% of trade goods between continental Europe and the UK transit through the Tunnel
- +60% growth in revenue since 2008
- Operating margin stable at 52%
- Predictable cash flow up to 2086 (duration of the Channel Tunnel Concession)
- €1.4Bn return to shareholders (dividends+share buybacks) since 2008

CORPORATE SOCIAL RESPONSIBILITY

Getlink has made significant progress in CSR over the last few years. In 2019, a new milestone was reached with the integration of non-financial challenges into the strategy.
Conscious of the ongoing transformation of society and the expectations of all its stakeholders, Getlink has updated its materiality analysis. Some issues remain intangible and are the subject of a high expectation from some stakeholders while others have become more significant under external pressure or from current events.

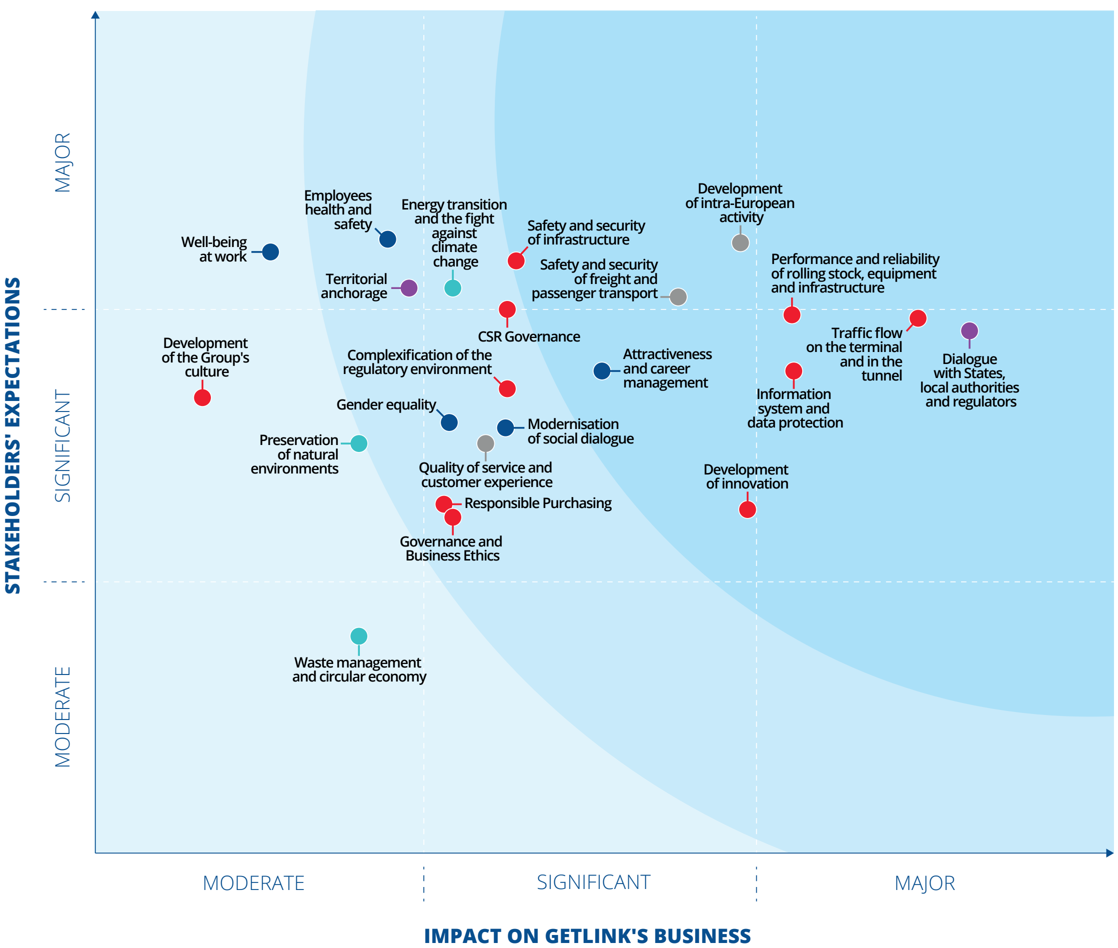
TOPICS

- Governance and robustness of operations
- Customer service
- Employee well-being and social performance
- Environmental protection
- Communities and local development

MATRIX AREA

- PRIORITY stakes
- IMPORTANT issues corresponding to a high expectation of stakeholders priority issues involving an important impact on the business
- Stakes involving LIMITED impact

MATERIALITY MATRIX OF THE GROUP: 23 MATERIAL CHALLENGES INCLUDING 9 PRIORITY CHALLENGES



CORPORATE SOCIAL RESPONSIBILITY

Getlink considers itself fully conscious of the global challenges of sustainable development and is committed to ensuring that its growth is achieved in accordance with its precepts, in conjunction with the **17 Sustainable Development Goals** of the United Nations. Getlink has selected **10** of them, which are the most relevant to its business model, its activities and its material challenges.

› THE 10 SDG SELECTED BY GETLINK

Based on these elements, the Group has launched the review of its CSR policy. It intends to consolidate its strengths in different CSR areas and in particular to enhance its action in favour of the environment and the fight against climate change. Committed to low-carbon transport, Getlink combines the service provided to the customer with resolute action for the environment.

RESPONSIBLE GOVERNANCE IN LINE WITH TOMORROW'S CHALLENGES

The governance structure of Getlink is adapted to the specific needs of the business arising from its binational nature and is part of a continuous improvement process in accordance with the Afep/Medef Code, in order to support the overall vision for the development of the Group over the next decade. It is based on a separation of the functions of the Chairman and CEO with a new Chief Executive Officer and a responsible and highly experienced Board of Directors which is also international, diversified and renewed in its composition enabling it to set long-term strategic orientation and to oversee its implementation.

TRANSITION

Strengthened chairmanship

> Representation of the Group at the highest levels in relationships with Governments and others.
> Representation of the Board of Directors in its relations with shareholders and investors.
> Leadership role to drive the strategy, in close coordination with the Chief Executive Officer.
> Binationality: cohesion between the British and French entities of the Group and its teams.

SEPARATION OF EXECUTIVE RESPONSIBILITIES

(from 1st July 2020)

Chairman of the Board of Directors
Jacques Gounon

Chief Executive Officer
Yann Leriche

Executive Committee of Getlink

(at 31 December 2019)

> 10 members including 2 women

Jacques Gounon
Chairman and Chief Executive Officer

François Gauthey
Deputy Chief Executive Officer

Michel Boudoussier
Chief Corporate Officer

Patrick Etienne
Director of Rolling Stock, Supply Chain and Energy Unit - Eurotunnel

Laurent Fourtune
Chief Operating Officer - Eurotunnel

Philippe de Lagune
Chief Operating Officer - Security

Steven Moore
Chief Executive Officer - ElecLink

Claire Piccolin
Company Secretary to the Getlink Board of Directors - Compliance Officer

Sandrine Prieur
Director of Corporate Social Responsibility (CSR) for Getlink

Pascal Sainson
Chief Operating Officer - Chairman of Europorte

A RENEWED BOARD OF DIRECTORS, ADAPTED TO THE SPECIFICITIES OF GETLINK IN 2020

OBJECTIVES

> Staggering of Directors' terms of office

> Diversity of backgrounds

> Maintain internationalisation

> Strengthen independence

BOARD OF DIRECTORS

15

Directors

POST 2020 GENERAL MEETING

Terms of office expiring 2020	Renewal of the terms
1	-
1	1 year
2	2 years
1	3 years

Appointment of **Sharon Flood** and **Jean-Marc Janaillac**

INDEPENDENCE
Independent Directors
8/13 ▸ 9/13
69%

INTERNATIONALISATION
Directors not resident in France
6/13 ▸ 7/13
54%

PARITY
Women
6/13 ▸ 6/13
46%

* Staff representative Directors are not taken into account in the calculation of the independence rate (in accordance with the Afep/Medef Code) nor in the calculation of the percentage of the gender parity (in accordance with the French Commercial Code) nor regarding the internationalisation to be consistent.

ACTIVITY OF THE BOARD OF DIRECTORS IN 2019

BOARD OF DIRECTORS OF GETLINK

As at 31 December 2019, the Board was composed of 15 members, including 2 staff representative Directors:

Jacques Gounon
Chairman and Chief Executive Officer

Corinne Bach
Independent Director

Bertrand Badré
Independent Director

Elisabetta De Bernardi di Valserra
Director

Giancarlo Guenzi*
Director

Patricia Hewitt
Independent Director

Peter Levene
Independent Director

Colette Lewiner
Independent Director

Colette Neuville
Independent Director

Perrette Rey
Independent Director

Stéphane Sauvage
Staff representative Director

Jean-Pierre Trotignon
Independent Director

Philippe Vanderbec
Staff representative Director

Philippe Vasseur
Director

Tim Yeo
Director

* Co-opted on 22 November 2019.

A PARTICIPATIVE AND ASSIDUOUS BOARD OF DIRECTORS IN 2019

9
Board meetings

97%
Attendance rate for the Board

In 2019, the Board of Directors was organised into 6 committees with complementary expertise.

23
Board Committee meetings in total

4
Board Committees chaired by women:

Audit Committee

Nominations Committee

Remuneration Committee

Economic Regulations Monitoring Committee

100%
Attendance rate in 2019:

Nominations Committee

Remuneration Committee

Corporate Committee

PRESENTATION OF THE GROUP AND ITS BUSINESSES

Since its inception, Getlink's mission has been to bring people, business and culture together. The Channel Tunnel, the historical core business of the Group, is the Vital Link between the United Kingdom and continental Europe.

SINCE 2010, the Group's renewal period has been accompanied by the diversification of the activities beyond Eurotunnel:

> In rail freight with Europorte which operates on the entire rail freight transport logistics chain in France, and

> In ElecLink project, the future 1GW electrical interconnector between the United Kingdom and France.

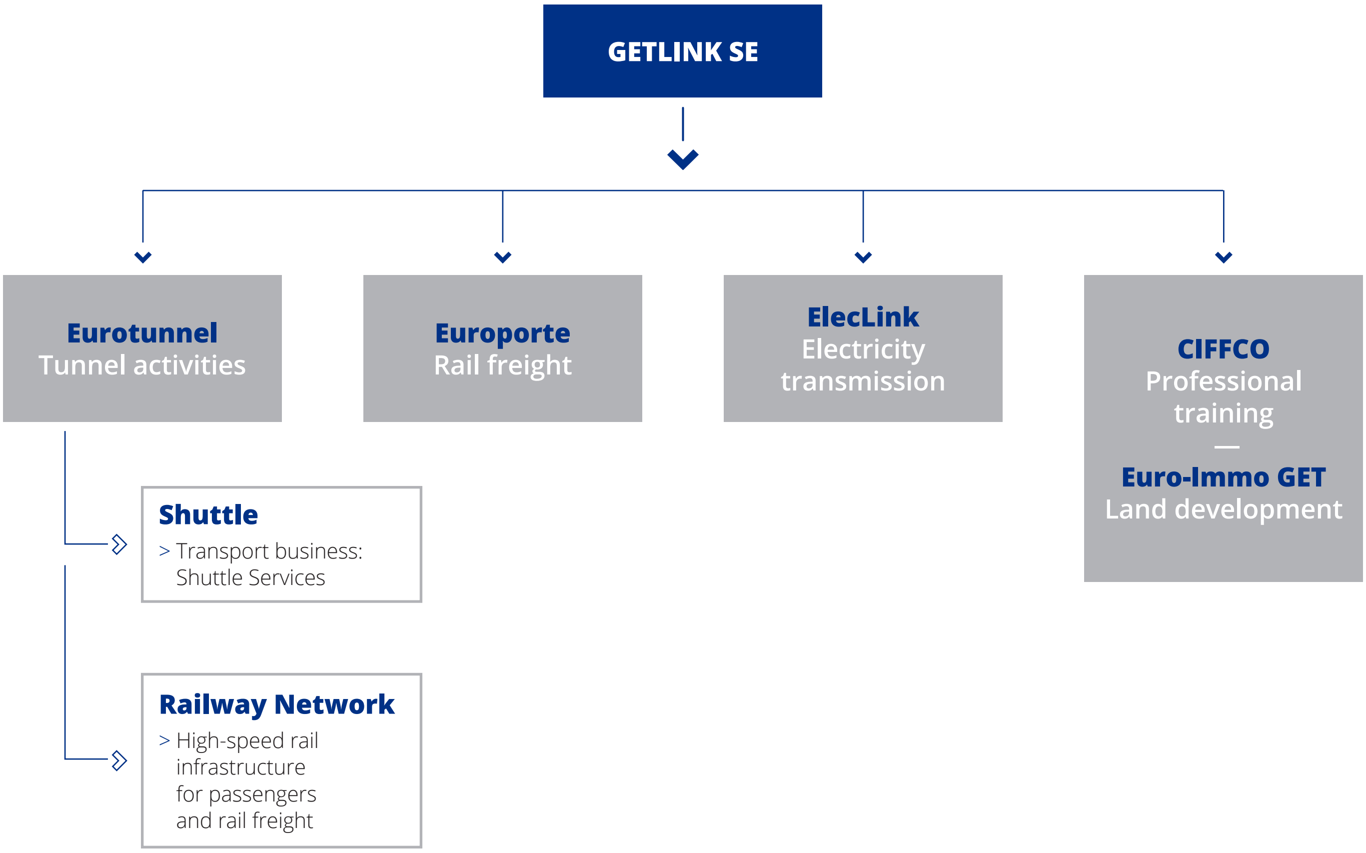
IN 2019, the Group operates the following four business segments:

> The Eurotunnel segment (Concession of the cross-Channel Fixed Link),

> The Europorte segment for rail freight,

> The ElecLink segment, the future electrical interconnector between the United Kingdom and France, and

> The Getlink segment which regroups the corporate services of the Group and in particular CIFFCO, the railway training centre.



1 PRESENTATION OF THE GROUP AND ITS BUSINESSES

1.1 PROFILE **3**
1.1.1 Getlink today 3
1.1.2 Business model and Group strategy 3
1.1.3 The Group's structure 7
1.2 EUROTUNNEL'S CROSS-CHANNEL ACTIVITIES **10**
1.2.1 Eurotunnel's main markets 10
1.2.2 Eurotunnel's activities 12
1.2.3 Eurotunnel: capacity of the Fixed Link 18
1.2.4 Eurotunnel: reliability of the System 19
1.3 EUROPORTE ACTIVITIES **21**
1.3.1 Europorte's main markets 21
1.3.2 Europorte's activities 21
1.4 ELECLINK ACTIVITIES **23**
1.5 GETLINK ACTIVITIES **25**
1.6 MAJOR INVESTMENTS **26**
1.6.1 Major investments 26
1.6.2 Trademarks, patents and licences 28

1 PRESENTATION OF THE GROUP AND ITS BUSINESSES

1.1 PROFILE

1.1.1 GETLINK TODAY

Initially the promoter of the Tunnel, which is a historic and technological feat, the Group has transformed itself to provide solutions to the new demands for mobility.

The Group was created in 1986 with the signing of the Concession Agreement, which awarded the construction, financing and operation of the Channel Tunnel to the Franco-British consortium of France Manche SA and The Channel Tunnel Group Limited. The operation of the Tunnel started in 1994.

In 25 years, the Tunnel has fundamentally changed the way trade takes place between the United Kingdom and continental Europe by enabling the development of new integrated cross-border logistics chains, as well as access to new markets.

In 2018, the Group changed its name to Getlink. This name, which evokes the dynamism of exchanges, marks the Group's entry into a new era of mobility infrastructures. Much more than merely a new page in its history, this name is a true commitment to the future with the development and management of safe, modern and environmentally-friendly mobility infrastructures.

1.1.2 BUSINESS MODEL AND GROUP STRATEGY

Since the Tunnel was brought into service the Group has continually evolved, guided by an entrepreneurial spirit, in the search for growth and the creation of value.

In 2019, Getlink is:

- A resilient business model;
- A high-performing and competitive Group;
- An environmentally-friendly transport service;
- A company resolutely focused on digitalisation;
- A sustainable regional foothold.

Fundamentals: long-term growth businesses and diversification of activities

The Group operates an extremely long concession (until 2086) built around an integrated rail system beneath the sea enabling:

- Eurotunnel to offer a transport service between Calais and Folkestone:
  - Eurotunnel provides a transport service aboard Shuttles between Calais and Folkestone and a Railway Network through which Rail Freight Services and High-Speed Passenger Trains can pass. These services operate in the transport market between continental Europe and the United Kingdom and are described in section 1.2 of this Universal Registration Document;
  - The Truck Shuttles transport heavy goods vehicles, while the Passenger Shuttles transport passengers in vehicles (cars, coaches, motorbikes, motor homes). The Shuttle Services are in direct competition with the ferry services and compete indirectly with airlines, as set out in section 1.2.1.c of this Universal Registration Document;
  - In 2019, Shuttle Services generated 58% of Group revenue.
- Third-party rail operators to provide end-to-end high-speed passenger links between continental Europe and the United Kingdom, without changing trains, and rail freight operators to move their trains within a regulated tariff framework:
  - Railway Companies' High-Speed Passenger Trains and Rail Freight Services may also travel through the Tunnel in return for payment of a toll. Eurotunnel does not operate these services but manages their passage through the Fixed Link Railway Network. Eurostar's High-Speed Passenger Train services are operated by Eurostar International Limited;
  - As indicated in section 1.2.2.b of this Universal Registration Document, the Group earned 29% of its revenue in 2019 from the use of the Tunnel Railway Network by the Railway Companies' High-Speed Passenger Trains and Rail Freight Services.

Since 2010, the Group's renewal has been accompanied by the diversification of activities beyond Eurotunnel:

- in rail freight with Europorte, which is involved in the entire rail freight transport logistics chain in France as described in section 1.3 of this Universal Registration Document; and
- the ElecLink electricity interconnector project, the future 1GW electricity interconnector between the United Kingdom and France as described in section 1.4 of this Universal Registration Document.

a) Business model

Vital cross-Channel link

Since its creation, Getlink's purpose has been to bring people, companies and cultures together. The Tunnel, the Group's historic core business, is a vital link between the United Kingdom and continental Europe. Each year, it enables more than 21 million passengers, 2.6 million cars and 1.6 million trucks to cross the Short Straits between France and Great Britain, safely and speedily, 365 days a year, 24 hours a day. More than a quarter of exports from the United Kingdom to the EU and more than a fifth of imports from the EU to the United Kingdom depend on the speed and reliability of the Tunnel[1], supporting nearly 220,000 jobs in the United Kingdom[2].

With strong expertise and sound fundamentals and firmly focused on the future, Getlink confirms its leadership of the Short Straits market. It is constantly transforming and diversifying its activities in response to new mobility challenges, at a time when the globalisation of trade and ecological transition are making transport and logistics strategic activities. Getlink is now a major player in international trade and eco-responsible transport, bringing together a range of complementary brands. This unique position, founded on sustainable and high-performing activities, is a source of resilience, offering great growth potential in the very long-term.

A resilient model and complementary activities

The Tunnel is unique in the world and represents the foundation stone of the Group's business model. Alongside Eurotunnel – which manages the Tunnel infrastructure, holds an extremely-long concession and operates rail transport – Getlink has successfully expanded its core business into several other areas: Europorte, the leading private rail freight operator in France, a promising market given increasing environmental restrictions; ElecLink, the future electrical interconnector between the United Kingdom and France and a future growth driver for the Group; and CIFFCO, the first private rail training centre in France.

A safe, green, smart and premium transport offer

In a globalised world, undergoing major changes with the digitalisation of the economy and consumption patterns, technological progress and ecological transition, the Group offers all its customers a safe, green, smart, and premium service. **Safe**, since the Tunnel is still the safest way to travel between the United Kingdom and continental Europe, both for passengers and freight. **Green**, because Getlink manages some of the most environmentally-friendly mobility solutions and infrastructures. Carbon emissions generated by rail freight are 99 times lower than air transport and eight times lower than ferries[3]. Fully invested in the digital revolution, the Group explores all the benefits of digital technology to offer its customers a service that is increasingly **Smart**, whether in terms of innovation, quality, responsiveness or the precision of information provided. Finally, Getlink stands out for its **Premium** services and commercial offers, that are customised and adapted to consumer expectations, for a unique and constantly enriched customer experience.

Creating value for all stakeholders

As the Concession operator until 2086, the organisation benefits from the length of the Concession as a stabilising long-term revenue factor as well as a creator of sustainable value for all its stakeholders: customers, employees, shareholders, suppliers, local economic players and inhabitants of the regions served. First and foremost, the Group stands out for its corporate culture founded on ethics, collective commitment and the importance placed on the customer. Strongly committed to employing young people, the well-being of its employees is a key challenge of its corporate strategy. Getlink also enjoys a firm foothold in the Calais area and Kent, two regions that it helps to promote, notably with the creation of over 8,000 direct and indirect jobs[4] since the Tunnel entered service. Through its rail transport business, the Group participates in regional development, while rail freight offers a means to reduce road congestion and decrease the environmental footprint of transport activities. Reliable and fast, the Channel Tunnel Fixed Link plays a decisive role in the development of e-commerce and the new economy. By securing electricity supply for households and the European power grid, ElecLink will serve the general interest with a minimal impact on the environment.

And tomorrow…

With close to 60% revenue growth between 2008 and 2019, Getlink is a high-performing company, with a business model that has demonstrated its relevance over the years. The Group intends to continue to focus on an increasingly connected, innovative and collaborative model, serving sustainable growth and value creation for all stakeholders. In order to develop, the Group will seek to extend synergies between its businesses and strengthen the expertise of its teams in managing complex infrastructures. Capitalising on a solid core business, the Group will continue its controlled diversification strategy towards high-potential activities, spurred by growing needs that are essential to economic development: mobility of individuals, goods transport and energy transition. The Group will also develop its regional foothold to further establish its legitimacy as a key player in the Anglo-European network.

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1 *Source: "Economic footprint of the Channel Tunnel in the EU. An analysis of the value of trade travelling through the Channel Tunnel between the UK and EU countries" June 2018. This report is an extension of the 2016 analysis, which highlighted the role played by the Channel tunnel in supporting trade and economic activity in the UK: www.getlinkgroup.com/uploadedFiles/assets-uk/the-channel-tunnel/180604-EY-Channel-Tunnel-Footprint-Report.pdf.*

2 *Source: "Economic footprint of the Channel Tunnel fixed link: An analysis of the economic value of trade and passenger traffic travelling through the Channel Tunnel", October 2016: www.getlinkgroup.com/content/uploads/2019/09/EY-Channel-UK-2016.pdf.*

3 *Source: "Economic footprint of the Channel Tunnel fixed link: An analysis of the economic value of trade and passenger traffic travelling through the Channel Tunnel", October 2016: www.getlinkgroup.com/content/uploads/2019/09/EY-Channel-UK-2016.pdf.*

4 *Evaluation of the footprint of the Channel Tunnel 10 years after it became operational (Université du Littoral Côte d'Opale – 2004).*

b) Brexit

The United Kingdom's referendum decision of 23 June 2016 to leave the European Union opened a period of uncertainty. Initially scheduled for 29 March 2019, the United Kingdom's exit has been pushed back three times to 31 January 2020. A Withdrawal Agreement on a negotiated exit was entered into between the United Kingdom and the European Union on 17 October 2019. The agreement was adopted by the House of Lords on 22 January 2020 and ratified by the European Parliament on 29 January 2020.

The Withdrawal Agreement provides for an 11-month transition period ("Transition Period") ending at the end of 2020, which is designed to allow the future relationship with the United Kingdom to be negotiated. This Transition Period may be extended to the end of 2021 or 2022 if the British government requests an extension prior to 1 July 2020.

The Withdrawal Agreement[5] sets out the conditions for the departure of the United Kingdom from the European Union and covers essentially the following areas:

- Citizens' rights: this part of the Withdrawal Agreement aims to safeguard the rights of EU citizens established in the UK and UK nationals established in EU countries and to ensure that they can continue to work and contribute in their State of residence.
- A Transition Period during which, as a third State, the United Kingdom will continue to comply fully with all European Union directives, norms and standards (the "acquis de l'Union"), without being able to participate in the institutions or be involved in decision-making processes. In return, the United Kingdom will be able to have access to the internal market and the Customs Union during this Transition Period.
- Separation issues, ensuring the gradual end of the current regime and providing for an orderly withdrawal (e.g. to allow goods placed in the market before the end of the Transition Period to continue to reach their destination, protection of existing intellectual property rights, including geographical indications, phasing out of police and judicial cooperation in criminal matters and other administrative and judicial procedures, use of data and information exchanged before the end of the Transition Period).

Eurotunnel has prepared for the consequences of Brexit by developing innovative solutions in order to offer the best possible service to all its customers.

Eurotunnel has designed, in collaboration with the French customs authorities, an intelligent border system to maintain the fluidity of border crossings. This system consists of a notification system which allows the carrier to provide, when registering his journey in the Eurotunnel information system, the documents required by French customs before boarding. When the driver enters the Pit-Stop and prior to boarding, the information collected will be transmitted in real time to the Customs information system, which can then decide on any exit checks that may be required on the French side. However, the effectiveness of these systems depends on having enough staff available in the control authorities.

c) Group strategy

Fundamentals and strategic levers

The Board of Directors determines the business's strategic direction, inspired by a shared long-term vision for Getlink SE.

A mobility player of its time: main challenges

Passenger and goods transport and mobility businesses face significant digital challenges. The digital transformation of these sectors generates changes in daily practices and processes as well as future perspectives. Getlink and the Concession are at the very heart of the changes facing passenger and goods transport this century, with several key challenges emerging: the digitalisation of the economy and of the customer relationship, notably in the specific context of Brexit and the transition to a low-carbon economy. Furthermore, while transport and logistics have progressively become strategic businesses with the globalisation of trade, changing consumption patterns, ecological transition and technological progress, employers in these sectors face difficulties attracting people to these businesses despite this favourable outlook.

High-Speed Passenger Train services have development potential, which is slowed down by barriers to development such as difficulties implementing efficient border controls, interoperability and obtaining rolling stock authorisations, which can delay, restrict or stop the development of services to new destinations. Getlink is actively working with various stakeholders on these issues.

The Tunnel: a unique and essential mobility player, ready to meet the mobility challenges of tomorrow

Getlink is determined to transform these challenges into opportunities through:

- its strategic transformation plan;
- its key financial resources (including debt management, which demonstrates the markets' recognition of the Group's financial solidity) and non-financial resources;
- its approach to customer satisfaction;
- its CSR ambition.

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5 *www.brexit.gouv.fr/sites/brexit/accueil/le-brexit-cest-quoi.html.*

Strategic transformation plan

The change in Eurotunnel's name to Getlink recognises the Group's transformation into a major mobility player. In a context marked heavily by ecological transition and the digital revolution and alongside the changes in its shareholding structure, Getlink has strengthened its position as a manager of safe, modern and low-carbon infrastructure. The Group is developing in businesses where growth is driven by constantly changing fundamental needs (procurement, travel). In this context, Getlink has drawn up a strategic plan for the Concession business based on two pillars:

- a dynamic pricing policy; and
- constant improvements to the railway system, taking account of the need to anticipate and accompany new market trends to incorporate them into a sustainable value creation strategy.

With Brexit comes the need to provide a tailored response for each flow, while integrating the proper understanding of situations and resources. Getlink is committed to raising awareness and adapting the management of cross-border flows, working jointly with its stakeholders. The Group is mobilised to provide solutions supporting innovative cross-Channel transport and rail freight transport services while placing customers at the heart of its business model.

Eurotunnel has prepared for the consequences of Brexit by developing innovative solutions in order to offer the best possible service to all its customers. The investment policy accompanying this plan aims to adapt its product offering and processes in line with market needs and specific customer expectations.

The risk factors associated with the Group's businesses and its environment are presented in chapter 3 of this Universal Registration Document.

Customer satisfaction

Getlink places the customer at the heart of its strategy and implements ways to enhance their satisfaction and loyalty. It achieves this notably by strengthening communication of real-time information and adapting services to the specific needs of customer segments, such as owners of electric vehicles, passengers travelling with pets and customers with reduced mobility.

Key role of transport infrastructure manager

The Group pursues its long-term efforts with national authorities and rail participants to progressively resolve the barriers to the development of new services and has developed various actions to bring these opportunities to fruition, as set out in section 1.2.2.b of this Universal Registration Document.

Key resources

Getlink is able to offer Eurotunnel services thanks to an investment of over €20 billion (at 2019 exchange rates), financed by private funds, in a unique rail infrastructure beneath the sea. This infrastructure is constantly maintained and improved, such as with the modernisation of its fleet of Truck Shuttles and a Passenger Shuttle major renovation programme which has just been launched as set out in section 1.6.1 of this Universal Registration Document. Over the life of the Concession period, revenue from rail tolls (a regulated activity) and the Shuttle business is sufficient to cover the repayment of bank borrowings and remunerate equity contributed by investors via the payment of dividends. In addition, as a listed company, Getlink SE allows investors to trade in the shares based on their own expectations of traffic levels and fluctuations in exchange rates and borrowing rates over the remaining Concession period.

Eurotunnel's revenue is currently nearing €1 billion, with an EBITDA margin of 58%. This covers the maintenance and improvement of assets, debt service and shareholder remuneration with the payment of a steadily increasing dividend.

Eurotunnel's performance is only possible thanks to the 2,700 men and women, British and French, who provide a high quality professional service, 24 hours a day, 365 days a year. For 25 years, Eurotunnel has trained (and continues to train) employees with unique experience and expertise, without which the infrastructure would not be a success. In total, Getlink brings together more than 3,500 team members.

In addition to its employees, who play an essential role in Eurotunnel's foothold in the Kent and Calais areas, the company contributes significantly to the development of the regional economy through local sub-contractors.

Furthermore, among the Group's resources that contribute to its smooth running, not counting the Concession Agreement that provides the company with a secure legal framework and an extremely long Concession period (described in section 8.2.2 of this Universal Registration Document), the Group's financing (with the most recent developments described notably in section 8.2.4) and its rolling stock (described in sections 1.2.3 and 1.2.4), the Group's internal culture is a key resource, whether with regard to ethics, collective commitment or the importance placed on the customer relationship.

Getlink is managing its debt dynamically and with a view to optimising costs and improving agility. The Group's debt was put in place during the 2007 financial restructuring. The successful refinancing of part of the debt in June 2017 enabled financial costs to be optimised and the recognition by the markets of the Group's financial solidity. In 2018, Getlink completed the third step in its financial reorganisation, enabling it to clarify its structure and thereby optimise its financing. This transaction was undertaken to enable the issue of the Senior Secured Notes, issued as Green Bonds. This category of bonds is issued on the market to finance environmentally-friendly projects, often of an energy transition nature: development of renewable energies, energy efficiency improvements, development of transport infrastructures with low greenhouse gas emissions and so on.

Robust outlook buoyed by collective goals

Getlink's investment policy aims to support and amplify growth in the Group's markets and focuses on investments that are complementary to existing assets. It aims to develop synergies within the Group and to leverage the specialist expertise of its teams in managing complex infrastructures and particularly the Tunnel.

Alongside operating the Concession, which will remain its core business, Getlink aims to continue the controlled diversification of its revenues by operating a profitable rail freight business in France and completing the construction of the ElecLink electricity interconnector which is already well under way. This project will be an appreciable driver of growth in Group revenues and margins in 2021. Getlink may also perform focused acquisitions, alone or in partnership, in transport infrastructure or activities that are capable of generating synergies with current businesses while strengthening the diversification of the Group's business portfolio and contributing to a reduction in its risk profile.

Sustainable Development

In an environment marked by numerous geopolitical uncertainties, the Group has demonstrated the relevance of its business model. True to its entrepreneurial and responsible vision, Getlink will continue to promote long-term value creation and share this value with all its stakeholders. Firmly committed to sustainable growth, which is inseparable from its long-term goals, Getlink is strengthening the integration of its non-financial challenges into its strategy and has launched a review of its CSR policy in conjunction with the material challenges identified in 2019 and the 10 Sustainable Development Goals (SDG) relevant to the Group's activities. Getlink is convinced that its ability to connect to its ecosystem is a source of innovation, value creation and responsible growth; it therefore favours an equitable approach to sharing value that combines economic, financial and non-financial performance, while investing to ensure the long-term success of the Group. It intends to consolidate its strengths across all CSR fields and expand its actions in favour of the environment and the fight against climate change, to combine services to customers with strong action in favour of the environment.

The Tunnel contributes to the organisation of regions, the mobility of individuals and bringing people together. The Tunnel accompanies, directs and highlights flow momentum. Rail transport contributes to regional development and rail freight transport helps free-up roads. The Tunnel's economic footprint is referred to in chapter 6 of this Universal Registration Document, both in terms of employment and as a driver of corporate growth for business partners. Le Shuttle also promotes smooth, low-carbon travel by offering a service to cross the Channel with a bicycle[6].

Alongside its main business as the Tunnel's Concessionaire, Getlink has sought to further enhance its infrastructure by developing an electricity interconnector project. This ElecLink investment, which is currently under construction, is the only fully private cross-Channel electricity interconnector. This link should also play a key societal role by enhancing the European electricity network, optimising capacity production and securing electricity supply to consumers. After entering into service, ElecLink could make a significant contribution to opening up the UK electricity market and could benefit from the congestion income resulting from the price difference between the electricity wholesale markets on both sides of the Channel.

Building on its experience in the rail sector, Getlink controls, through its subsidiary Europorte, the leading private rail freight operator in France. With over 800 team members, it is well positioned to bring together European independent operators in a promising market and in a context of increasing environmental restrictions.

With its subsidiary CIFFCO, the first training centre dedicated to rail industry professions, Getlink possesses the technical expertise necessary to accompany growth in its Tunnel Concessionaire and railway company businesses.

By combining its growth potential and the diversity of its businesses, Getlink aims to generate recurring cash flow enabling it to share value with its stakeholders, employees, shareholders and suppliers and ensure the Group's development.

1.1.3 THE GROUP'S STRUCTURE

Getlink SE is a European company regulated by French law with a Board of Directors, incorporated in Paris and is governed by the relevant provisions of prevailing French and EU laws and regulations. Getlink SE is registered with the Paris Trade and Companies Registry under registration number 483 385 142 (SIRET: 483 385 142 00052, principal activity (APE) code: 701OZ, LEI: 9695007ZEQ7M0OE74G82). The registered office of Getlink SE is located at 3 rue La Boétie, 75008 Paris, France.

The legal structure of Getlink SE was incorporated on 6 July 2005 for a fixed period of 99 years from the date of its registration in the Paris Trade and Companies Registry, i.e. until 3 August 2104. The company was converted on 26 December 2014 to a European company and its name changed to Groupe Eurotunnel SE at that time and then to Getlink SE by a decision of the General Meeting of 18 April 2018.

The ordinary shares issued by Getlink SE are listed on Euronext Paris and with the UK Listing Authority in London (standard listing) and are traded on Euronext Paris and Euronext London.

Getlink SE's role with regards to its subsidiaries is set out in the introduction to the notes to the Getlink SE parent company accounts in section 2.2.2 of this Universal Registration Document.

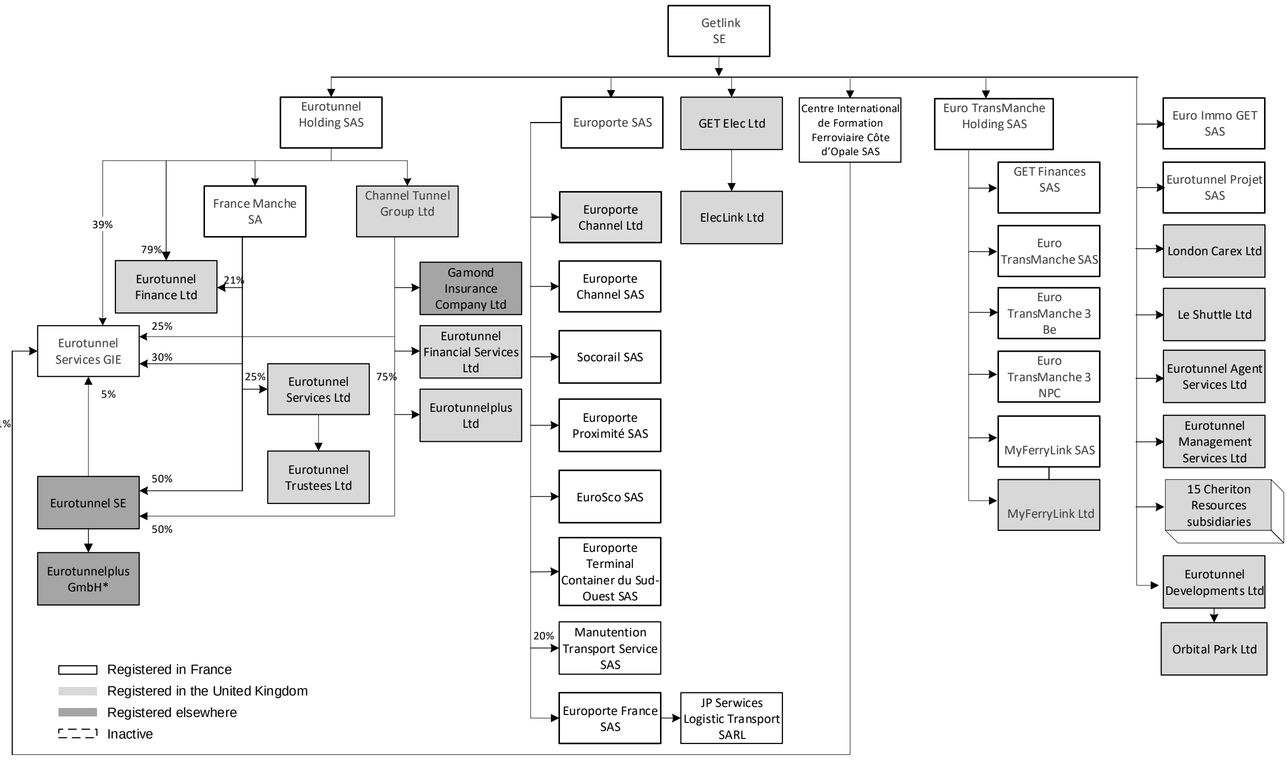
In 2019, the structure of the Group was organised around the four following sectors of activity:

- the Eurotunnel segment (cross-Channel Fixed Link Concession);
- the Europorte rail freight segment;
- the ElecLink segment, the future electricity interconnector between France and Great Britain; and
- the Getlink segment, which brings together the Group's corporate services and notably CIFFCO, the rail freight training centre.

6 *www.eurotunnel.com/uk/travelling-with-us/vehicles/bicycles/.*

Simplified legal chart of the Group on the date of this Universal Registration Document

As shown in the following chart, the Group consists of a total of 55 subsidiaries as at 31 December 2019, including 21 located in France and 31 located in the United Kingdom.



Unless mentioned otherwise, all of the subsidiaries are fully owned in terms of capital and voting rights.

* *Eurotunnelplus GmbH is in the process of being wound up.*

The Getlink segment

Getlink SE is the Group's listed parent company.

In 2007 a new holding company, Groupe Eurotunnel SA, was set up. This proposed to all shareholders of the former Eurotunnel structure, to exchange their twinned shares for ordinary shares of Groupe Eurotunnel SA. This offer was accepted by more than 93% of shareholders. In late 2007, Eurotunnel PLC and Eurotunnel SA became TNU PLC and TNU SA and were then absorbed by Groupe Eurotunnel SA in May 2009 and October 2010 respectively.

The Centre International de Formation Ferroviaire de la Côte d'Opale (CIFFCO) supplies professional training services in the rail sector as described in section 1.5 of this Universal Registration Document.

Euro-Immo GET SAS manages and develops property assets and performs associated activities, as set out in section 1.5 of this Universal Registration Document.

London Carex Limited is involved in a potential project for the development of rail freight in the United Kingdom, as explained in section 1.5 of this Universal Registration Document.

The Cheriton Resources companies are finance or investment companies and are mostly inactive.

Eurotunnel Agent Services Limited is the structure that holds the G2 notes as mentioned in note G.7 to the consolidated financial statements contained in section 2.2.1 of this Universal Registration Document.

Eurotunnel Developments Limited and its subsidiary Orbital Park Limited were responsible for the development of property in the United Kingdom which was not used in connection with the operation of the System. These companies are no longer active.

The Eurotunnel segment

Since the internal legal reorganisation of the Group in 2018, Eurotunnel Holding SAS is the parent company of the Eurotunnel sub-group.

France Manche SA (FM) and The Channel Tunnel Group Limited (CTG) operate the Tunnel as Concessionaires in accordance with the Treaty of Canterbury and the Concession Agreement as described in chapter 8 of this Universal Registration Document. FM and CTG, whose shares are twinned, are the borrowing entities under the Term Loan described in section 8.2.4 of this Universal Registration Document.

Eurotunnel Services GIE (ESGIE) and Eurotunnel Services Limited (ESL) employ and manage the Group's personnel mainly for the activities of the Concession. Relations between the employing companies of the Group and the Group's subsidiaries are described in section 6.5 of this Universal Registration Document.

Eurotunnel SE heads the distribution business in continental Europe (excluding France) of the Truck Shuttle Service activity.

Eurotunnel Financial Services Limited is authorised by the Financial Conduct Authority (registration no. 490713) to resell insurance products offered to passengers when they make their reservations. CTG acts as a representative of Eurotunnel Financial Services Limited for these requirements.

Gamond Insurance Company Limited, a wholly-controlled subsidiary of CTG, is registered in Guernsey since June 1996 and its sole purpose is to provide insurance against acts of terrorism in the United Kingdom (Insurance Business (Bailiwick of Guernsey) Law, 2002 as modified). On the authorisation of the IGC, the company was created in Guernsey because it is tax resident in the United Kingdom and its financial results are taxable in full in accordance with the Concession Agreement (clause 29). The creation of a captive was the only way that the organisation could access reinsurance protection guaranteed by the State via Pool-Re. As such, the company is regulated by the Guernsey Financial Services Commission (GFSC Ref. 96503).

Eurotunnel Trustees Limited is now dormant.

The Europorte rail freight segment

The holding company Europorte SAS groups together all the rail freight transport subsidiaries (Europorte segment) providing a wide range of integrated rail freight services, including national and international haulage, local services for secondary lines, and services to industry (individual junction management, infrastructure maintenance and wagon loading and unloading).

The activities of the Europorte segment are carried out by various subsidiaries of the holding company Europorte SAS including Europorte France (EPF), Europorte Proximité (EPP), Socorail and Europorte Channel (EPC). Europorte SAS also owns 20% of the share capital of Manutention Transport Service SAS (MTS).

The ElecLink segment

ElecLink’s corporate purpose is the construction and operation of a 1GW electricity interconnector between the UK and France. Preliminary work began towards the end of 2016 and the interconnector is scheduled to be brought into service in 2021. GET Elec Limited, a subsidiary of Getlink SE, holds the entire share capital of ElecLink Limited.

Euro-TransManche

The Group ceased the activities of the Euro-TransManche companies in 2015.

1.2 EUROTUNNEL'S CROSS-CHANNEL ACTIVITIES

Under the terms of the Concession Agreement, the States have granted the Concessionaires the right and obligation to design, finance, construct and operate the Fixed Link between France and the United Kingdom without prejudice to the sovereign role of the States in terms of control and border enforcement. The Concession Agreement, which is described in chapter 8 of this Universal Registration Document, will expire in 2086.

The Fixed Link is an integrated road and rail transport system that includes Shuttle services (for cars and trucks) and a rail service (passenger and freight trains). The Concessionaires FM and CTG operate the transport system with Shuttles and make paths available to companies in possession of a licence, allowing them to operate cross-Channel High-Speed Passenger Trains and Rail Freight Services.

The Fixed Link comprises three tunnels of a length of about 50 kilometres each under the English Channel, as well as the two terminals at Folkestone in the United Kingdom and Coquelles in France, the fixed equipment and the related installations:

- Two rail tunnels with a single track are, during normal service, each used by the trains moving in a single direction.
- The third tunnel, located for most of its length between the two main rail tunnels, is a secure means for evacuation and is also used for Tunnel maintenance.
- Two cross over points between the rail tunnels allow trains to change between tunnels during maintenance work on certain sections of the tunnels.

The Fixed Link is directly connected to the British and French motorway networks, via the Folkestone and Coquelles terminals which are the departure and arrival points. Retail and food service areas are available to customers at each terminal. The Fixed Link is also connected to the national French and British rail networks and more particularly to the high-speed lines.

1.2.1 EUROTUNNEL'S MAIN MARKETS

Eurotunnel offers both a Shuttle Service between Calais and Folkestone for the transport of passengers, cars, coaches and trucks and a Railway Network through which Railway Companies can run Rail Freight Services and High-Speed Passenger Trains. These services operate in the transport market between continental Europe and the United Kingdom.

a) Freight market

Freight traffic between continental Europe and the United Kingdom is commonly divided into four distinct modes:

- Roll-On/Roll-Off accompanied: trucks and trailers crossing the Channel or the North Sea on Shuttles or ferries at the same time as the road tractor and driver, mostly via the Short Straits;
- Roll-On/Roll-Off unaccompanied: trailers crossing the Channel or the North Sea independently of the road tractor, mostly via North Sea routes;
- rail freight: conventional or Intermodal trains running through the Tunnel; and
- Lift-On/Lift-Off: moveable containers or swap bodies loaded on Lift-On/Lift-Off container ships, mostly on the North Sea routes.

The market is based on three corridors:

- the Short Straits: all routes from continental Europe to Dover, Folkestone and Ramsgate (including the Tunnel);
- the English Channel: all routes from continental Europe to ports on the south coast of the United Kingdom south west of Folkestone; and
- the North Sea: all routes from continental Europe to ports on the east coast of the United Kingdom north of Ramsgate (including the Thames estuary).

The modal distribution varies by geographic zone and time constraints.

Short Straits

In the freight market, the Truck Shuttle Service is in competition with ferry operators in the accompanied road transport route across the Short Straits. Over the last 20 years, there has been a marked shift towards the use of accompanied trucks between continental Europe and the United Kingdom. The market share between the different routes is currently relatively stable. The Roll-On/Roll-Off accompanied mode on the Short Straits routes currently provides the shortest and quickest route for crossing the Channel.

b) Passenger market

After seven years of constant growth, the trend reversed in 2018. Indications for 2019 are at best for a stable market or one that is up slightly on 2018[7], with the economy and uncertainty surrounding Brexit once again impacting travel, particularly in Europe.

The Shuttles and the Short Straits ferries carry passengers travelling with their vehicles between Calais in France and Kent in the United Kingdom (Folkestone for the Shuttles and Dover for the ferries). Transport services for passengers travelling without their vehicles are mainly provided by airlines or by High-Speed Passenger Trains and they represent a marginal and indirect source of competition to this service. Eurostar services principally operate in the transport market for passengers

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[7] *Source: provisional estimate based on data published by International Passenger Survey at the end of October 2019.*

travelling, without their vehicles, between London and Paris, Brussels and Amsterdam. These destinations offer the greatest capacity and connections. Eurostar's main competitors are the airlines proposing air services between Great Britain and continental Europe.

Short Straits

Since the early 2000s, the business model has changed to reflect trends in the international market (holidays, weekend breaks and closer trade links).

c) Competitive position in the Short Straits market

The Shuttle Services are in direct competition with the ferry services and compete indirectly with airlines and, to a lesser extent, with Eurostar.

i) Ferry operators

Cross-Channel ferry operators are using larger ships offering greater capacity and enabling economies of scale to be realised over the long term, as they look for growth in the freight market rather than the passenger market.

The Calais Port 2015 project, scheduled for commissioning in early 2021, merges the ports of Calais and Boulogne-sur-Mer and extends the port of Calais and in particular its ferry terminal. This could strengthen the competitive position of ferries by enabling the introduction of additional capacity. A public service delegation contract was signed by the Hauts-de-France region on 19 February 2015. On 10 April 2015, Getlink filed with the Administrative Court of Lille an application for the annulment of the public service delegation contract. The Administrative Court of Lille rejected this application in a judgement handed down on 8 November 2018. Getlink appealed this ruling to the Douai Administrative Court of Appeal on 8 January 2019.

Construction is under way on a project to create a new terminal in the Western Docks at the port of Dover to accommodate larger ferries.

Since 2015, two ferry companies operate on the Short Straits (P&O Ferries and DFDS Seaways) so overall capacity is reduced compared to that available previously.

P&O

P&O Ferries ("P&O") is a worldwide operator of port facilities and the biggest ferry operator on the Short Straits. It is in direct competition with Eurotunnel in both the freight market and the passenger market. P&O operates up to six vessels and in 2019 it ordered two new vessels which, at 230 metres long, will be the largest deployed on routes to and from Dover. They are scheduled to be brought into service in 2023 (with an option for an additional two vessels for delivery in 2024). They are intended to replace three ferries in the current fleet[8].

In September 2019, P&O launched a new service between Calais and Tilbury for unaccompanied freight.

DFDS Seaways

DFDS Seaways is owned by the Danish company DFDS. In 2019, DFDS Seaways operated three vessels on the Dover-Dunkirk route and three on the Calais-Dover route.

In 2019, DFDS announced the launch of construction of a ferry chartered for combined freight and passenger transport. This ferry would replace a vessel in the current fleet and would be delivered in 2021 for deployment on the English Channel routes[9].

ii) Shuttle Services

Competitive advantages of the Shuttle Service

The Group considers that, under normal operating conditions, its Shuttle Service benefits from the following competitive advantages over ferries:

- safety: the Group offers a reinforced safety system at the site of Coquelles and additional means of control before boarding that reassure Truck Shuttle customers;
- speed: the standard travel time between the French and British motorways is much shorter than that of its competitors;
- departure frequency: the Shuttle Service runs more frequently than any of its competitors, and it runs every day of the year;
- convenience: with the GSM-P system, Shuttle Services customers have uninterrupted access to GSM and 4G services in the Tunnel as well as free Wi-Fi access across the whole of the terminals;
- reliability: unlike the ferries, the Shuttle Service is not affected by sailing conditions and is not dependent on the weather; and
- environmentally-friendly: the electric power it uses for traction generates much lower greenhouse gas emissions than fossil fuels.

In preparation for Brexit, the Group deployed a set of measures to preserve and strengthen these advantages.

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8 *Source: www.meretmarine.com/fr/content/po-commande-deux-nouveaux-ferries-pour-calais-douvres.*

9 *Source: www.meretmarine.com/fr/content/dfds-la-construction-du-cote-dopale-debute.*

iii) Airlines

Airlines, and particularly low-cost airlines, also have an indirect impact on the Short Straits market. These companies serve many destinations in continental Europe and thus compete with operators in the Short Straits, including the Passenger Shuttle Service in the short stay leisure market. What is more, many destinations in France are now served by low cost airlines offering an alternative means of transport between France and the United Kingdom.

iv) Eurostar

To a lesser extent, Eurostar's High-Speed Passenger Trains compete indirectly with the Passenger Shuttle Service in the leisure market.

1.2.2 EUROTUNNEL'S ACTIVITIES

Eurotunnel operates and directly markets its Tunnel Shuttle Services. Railway Companies' High-Speed Passenger Trains and Rail Freight Services may also travel through the Tunnel in return for payment of a toll: Eurotunnel does not operate these services, but manages their passage on the Fixed Link Railway Network.

a) Shuttle transport activities

Eurotunnel operates Truck Shuttles transporting heavy goods vehicles and Passenger Shuttles transporting passengers in their vehicles (cars, coaches, motorbikes, motor homes). In 2019, Shuttle Services generated 58% of Group revenue.

i) Truck Shuttle Service

The Truck Shuttle Service carries trucks between France and the United Kingdom on Shuttles. At each terminal, drivers pass through separate Truck check-in, security and border control facilities. Drivers and passengers do not remain in their vehicles during the crossing, but travel in a carriage ("Club-Cars") specially designed for this purpose.

Strategy

Truck service marketing strategy

The strategy is based on optimising Truck Shuttle revenue and a pricing policy that reflects the fair value of the service provided by Eurotunnel - its speed, ease and reliability.

Eurotunnel has put in place a mechanism to optimise Truck Shuttle revenue based on a pricing policy consisting of more flexible prices, adjustable according to demand and available capacity. The aim is to encourage an improved distribution of truck flows at all times of day and all week long, so that capacity and load factors can be optimised whilst maintaining service quality during peak days. Throughout the year, Eurotunnel gives priority to customers under contract, only providing transport to occasional customers as available capacity allows.

Customer experience: "Simply Better Freight"

The Simply Better Freight programme rethinks and simplifies all aspects of Truck Shuttle customers' journey at the two terminals in Coquelles and Folkestone for a simpler and more reliable service in terms of journey time while placing the safety of people and process control at the centre of requirements. In order to optimise processes and to cope with possible changes in administrative formalities linked to Brexit, Pit-Stops have been created at both terminals to group together safety and security checks at a single point before border controls. Eurotunnel continues to work on the fluidity of service and controls to provide the best possible service to customers and to optimise Shuttle occupancy rates and operating margins.

These changes are part of a wider "Agile Border" project which aims to make it easier for goods and people to cross the border while ensuring a smooth service.

Truck Shuttle Service market share

Eurotunnel estimates that its share of the Truck Shuttle Service market on the Short Straits corridor has evolved as follows:

	2019		2018	
	Vehicles	Market share (estimate)	Vehicles	Market share
Accompanied trucks *	1,595,241	40.4%	1,693,462	40.9%

* *Number of accompanied trucks transported by the Truck Shuttle Service. The Short Straits market share percentages are calculated using market data as reported by IRN Services Limited.*

In a year market by uncertainties linked to Brexit, the strike by French customs officers and the slowdown in the automobile industry, the Short Straits truck market contracted by around 4.9% in 2019, and the Truck Shuttle service market share fell slightly to 40.4%. The number of vehicles transported by Eurotunnel fell 6% to 1,595,241.

ii) Passenger Shuttle Service (Le Shuttle)

The Passenger Shuttle Service carries cars, motor homes, caravans, coaches, motorcycles and trailers between France and the United Kingdom onboard trains (Shuttles). Customers remain in their vehicle throughout the crossing, which normally lasts approximately 35 minutes from platform to platform. Each Passenger Shuttle has two sections: a double deck section mainly for cars and motorcycles and a single deck section reserved for vehicles higher than 1.85 metres, mainly coaches, minibuses and cars with roof boxes or towing caravans.

The Passenger Shuttle Service can operate up to five departures per hour in each direction.

Strategy

As part of the business model, the objective to improve Passenger Shuttle revenue is achieved by optimising the average revenue per Shuttle departure with additional flexibility from 2016 in the form of the transport of small commercial vehicles. These can travel on the Passenger Shuttles, with a booked reservation. Scanners on the passenger terminals reinforce security measures for this service.

Pricing policy: dynamic pricing

The pricing system adjusts ticket prices according to departure time and Shuttle load factor, thereby optimising passenger revenue and the average ticket price for passenger vehicles (cars, motor homes, caravans, motorcycles, and so on).

Tickets can be bought in advance from the website (www.eurotunnel.com), using mobile apps, by telephone from the customer service centre, from travel agents and on arrival at check-in. Close to 90% of Le Shuttle customer bookings are made online.

Adapting capacity to demand

The capacity of the Passenger Shuttle Service is regularly adjusted to improve the load factor and reduce costs. Operational adjustments are made to enable this, such as a better distribution of Shuttle departures during the day, with limited Passenger Shuttles at off peak times, increased services during peak times and the optimisation of train crew management. This policy has helped optimise the load factor, while satisfying the Concession's minimum service obligations.

Customer service ("Customer Experience" and "Simply Better")

As a service business, Eurotunnel Le Shuttle puts the customer at the heart of its strategy and uses every means to enhance their satisfaction and loyalty:

- Actions and developments, with Brexit in mind, aimed at strengthening safety while speeding up passenger flows at borders, both on boarding and arrival, and contributing to increasing customer satisfaction.
- Improved real-time information, for each customer at every stage of their experience with Eurotunnel, with the roll-out of the digital transformation plan (new information boards were installed in 2019 in the passenger buildings).
- Tailoring services to take account of the specific needs of each customer segment, such as drivers of electric vehicles or motorbikes, those travelling with their pets and customers with restricted movement. Le Shuttle also promotes, low-carbon travel by offering a service to cross the Channel with a bicycle.
- The service offered to Flexiplus customers has been enhanced. The creation of two lounges offering a modernised service offering has energised sales of this product. A shopping area is now accessible.
- The check-in barrier is equipped with automatic terminals for all pre-reserved customers as well as an ANPR system, reducing this stage of the customer journey to barely a minute.
- The Group is speeding up the company's digital transformation, with the main objectives of improving the customer experience, increasing the fluidity of customer service and optimising Tunnel and Shuttle maintenance. These measures were founded on two pillars: the creation of a digital culture within the business and the installation of a high-performing and extremely secure IT technical platform.

To prepare for the challenges linked to Brexit, Eurotunnel implemented a range of measures described in section 1.6.1 below.

Passenger Shuttle Service market share

Eurotunnel estimates its share of the car and coach passenger markets on the Short Straits has evolved as follows:

	2019		2018	
	Vehicles	Market share (estimate)	Vehicles	Market share
Cars *	2,601,791	56.9%	2,660,414	54.6%
Coaches **	50,268	40.5%	51,300	39.7%

* *Number of vehicles transported by the Passenger Shuttle Service. The market share percentages are calculated by converting the number of vehicles transported into Car Equivalent Units ("CEU") and determining the Passenger Shuttle Service's share of total CEU transported on the Short Straits as reported by IRN Services Limited.*

** *Number of vehicles transported by the Passenger Shuttle Service. The market share percentages are calculated using market data as reported by IRN Services Limited.*

In contrast to the trend in the overall market which is estimated to have remained relatively stable in 2019, the Short Straits car market contracted by 6% being more heavily affected by Brexit uncertainties due to its dependence on the European market. In a difficult market, Eurotunnel's share of the car market share continued to grow, reaching 56.9% in 2019. The cross-Channel coach market contracted by 4% in 2019, while the Passenger Shuttle's share of the coach market increased to 40.5%.

b) Railway Network

In 2019, the Group earned 29% of its revenue from the use of the Railway Network by Railway Companies' High-Speed Passenger Trains and Rail Freight Services. The Group does not operate these trains but manages their passage through the Tunnel.

The use of the Tunnel by the Railway Companies is governed by the Railway Usage Contract with the national Railways, which is in force until 2052, as presented in chapter 8 of this Universal Registration Document. Under this charging framework, the Railways are obliged to pay to the Group variable charges according to the number of passengers on High-Speed Passenger Trains as well as fixed annual charges. The variable charges are determined on the basis of a toll formula, which takes into account the effects of inflation to a certain extent. In addition, the Railways are required to contribute to the operating costs of the System, as well as to investment costs relating to the renovation of equipment.

The Railway Usage Contract long-term charging framework is applied and published every year by the Concessionaires in the Fixed Link Network Statement which sets out access conditions to its Railway Network for all Railway Companies, for the operation of High-Speed Passenger Trains and Rail Freight Services, as well as the charging scale for the year under consideration. In this framework, a simplified charging mechanism for goods trains was put in place, with a charge per Rail Freight Service instead of per tonne of freight.

The Group's revenue from its Railway Network is thus generated from variable charges received based on the number of passengers transported by Eurostar High-Speed Passenger Trains and the number of Rail Freight Services trains, annual fixed charges and the contribution to the operating costs of the System.

In 2019, the Group generated revenue €315 million from the use of its Railway Network, up 3% on 2018.

i) High-Speed Passenger Trains (Eurostar and new market entrants)

Market developments

The market for High-Speed Passenger Train services (Eurostar and future new entrants) comprises business and leisure passengers travelling between the United Kingdom and continental Europe. The market is geographically diverse and includes on the one hand inter-capital travel between London and Paris or London and Brussels and Amsterdam and on the other hand a wider flow of passengers travelling between the United Kingdom and France, Belgium, the Netherlands, Germany and Switzerland. Eurostar also operates a direct service to Disneyland Paris, and to Lyon, Avignon and Marseille during the spring and summer and a service to Bourg-Saint-Maurice in winter.

Combined data on market growth for Eurostar and the airlines is presented below.

	2019 (estimate)		2018	
Air and rail market	**Passengers (thousands)**	**Growth**	**Passengers (thousands)**	**Growth**
London-Paris	9,633	+0.1%	9,625	+1.4%
London-Brussels/Amsterdam	9,458	+2.9%	9,194	+6.6%
Total	**19,091**		**18,819**	

Sources: BRB, SNCF and CAA.

Market share

The data below summarises Eurostar's High-Speed Passenger Trains' share of the market on the Paris-London and Brussels/Amsterdam-London routes.

	2019 (estimate)		2018	
High-Speed Passenger Train market share (Eurostar)	**Passengers (thousands)**	*** Market share**	**Passengers (thousands)**	*** Market share**
London-Paris	7,369	76.5%	7,449	77.4%
London-Brussels/Amsterdam	3,678	38.9%	3,523	38.3%
Total	**11,047**	**57.9%**	**10,972**	**58.3%**

* *The market share percentages were established by calculating the share of the volume of rail passengers in the total rail and air traffic between Paris and London and between Amsterdam, Brussels and London as communicated by CAA, BRB and SNCF.*

Eurostar recorded an average growth in traffic of 2% over five years (from 2009 to 2014) followed by a contraction of 4% after the shock of the terrorist attacks in 2015/2016. A recovery in 2017/2018 saw volumes grow beyond those of 2014 and 2015 on existing routes (London to Paris and Brussels). Growth was further boosted by the service to Amsterdam and Rotterdam launched in April 2018 with two daily services and increased to three daily services in June 2019. This mitigated the considerable impact of the strikes by French customs officers in the spring and the SNCF strikes against pension reforms in December, resulting in a 1% increase in traffic in 2019. Calculated in accordance with the pricing framework indexing formula set-out in the Railway Usage Contract, the unit toll per passenger paid by Eurostar increased by 0.7% in 2019.

The competitive environment of High-Speed Passenger Trains (Eurostar)

Eurostar's High-Speed Passenger Trains connect London with the centre of Paris, Brussels and Amsterdam and compete directly with airlines (both traditional and low-cost) operating these routes in the business and leisure segments, in terms of travel time, frequency, comfort and price. In addition, for short-stay leisure trips, Eurostar also competes with low-cost airlines whether in terms of price, capacity and choice of destination, not only for destinations served by Eurostar but also for other short-haul destinations. Within the framework of the liberalisation of the international rail passenger transport market on 1 January 2010, the Group published its efficient and non-discriminatory conditions for access in its Network Statement thereby offering all Railway Companies including new entrants the opportunity to operate cross-Channel High-Speed Passenger Train services to existing or new destinations in competition with each other and with the airline sector.

High-Speed Passenger Trains (Eurostar)

Eurostar's High-Speed Passenger Train services are operated by Eurostar International Limited, owned 55% by SNCF, 5% by SNCB, and 40% by a consortium comprising CDPQ, the Caisse de Dépôt et Placement du Québec and Hermes Infrastructure. In September 2019, Eurostar and Thalys announced a proposed alliance, “Green Speed”, to combine their high-speed service networks, develop an offering of new sustainable mobility services, and increase rail passenger volumes.

Eurostar's rolling stock fleet primarily comprises recent Siemens e320 trains (introduced in 2015) offering a high level of comfort (on-board Wi-Fi, individual sockets), power (top speed of 320km/h), capacity (nearly 900 passengers, 20% more than the original fleet) and interoperable (electrical power supply and cab signalling systems compatible with the Dutch network). The Eurostar fleet also includes modernised Alstom e300 trains offering a similar level of comfort to the e320.

Since 2007, the High-Speed Passenger Trains services have benefited from the high-speed line between London St Pancras International and the Tunnel which has reduced the transit time between Paris and London or Brussels and London by around 20 minutes. With the destinations serviced by London St Pancras International station, it improves rail links with northern England (proximity of rail services from St Pancras, King's Cross and Euston stations). Ebbsfleet International station, located near the M25 London orbital motorway, also allows Eurostar to expand its catchment area.

In 2019, Eurostar ran 13 to 19 departures in each direction between Paris and London and 8 to 10 trains in each direction between London and Brussels (including two daily services from London to Amsterdam from April 2018, increased to three from June 2019) on week days, with adjustments depending on the day, the season and the destination. Some trains make intermediate stops at Ebbsfleet or Ashford International in the United Kingdom and at Calais-Fréthun or Lille-Europe in France. Eurostar also runs a service to Disneyland Paris four to seven days a week (except in January) and seasonal services from London and Ashford to Bourg-Saint-Maurice with two return journeys a week (from December to April) as well as a spring/summer seasonal service (May to September) from London to Lyon, Avignon and Marseille with three or four return journeys a week.

Development of new destinations

To help accelerate the development of new cross-Channel passenger rail links and to accelerate the realisation of these new service opportunities, the Group has developed the ETICA-Pax (Eurotunnel Incentive for Capacity Additions - Passengers), a financial assistance mechanism for the launch of new cross-Channel High-Speed Passenger Train services. Through the ETICA-Pax programme, the Group contributes to creating direct services to new destinations by reducing the launch cost of these new services and increasingly rewarding Railway Companies for their market development efforts.

In April 2018, Eurostar launched its direct service between London and Amsterdam, marking a historic milestone in the expansion of high-speed international rail travel. Passengers can now travel from the heart of London directly to the Netherlands at a speed of 300km/h, in nearly three hours to Rotterdam and under four hours to the centre of Amsterdam. This new direct service was launched in 2018 with two daily services on weekdays. A third daily service was added by Eurostar in June 2019 in response to strong demand.

Passengers can travel direct from London to Amsterdam and Rotterdam, but the service from Amsterdam to London involves changing at Brussels, where passport and security checks are carried out. This is a temporary measure while the UK and Dutch governments reach an agreement regarding juxtaposed passport checks on departure from the Netherlands, as happens for the other main Eurostar destinations. Eurostar has confirmed the launch of a direct Amsterdam to London service in April 2020, with the introduction of juxtaposed controls (Dutch and British) on boarding in the Netherlands. This will enable passengers to reduce their travel time by one hour and enjoy the comfort of a direct service in both directions. This development is key to competitiveness and will enable a high-speed rail service to be proposed that is competitive with air travel over this major air route, which represented 5 million passengers in 2019.

Eurostar has announced its intention to increase the frequency of direct services between London and Amsterdam, with a fourth daily service scheduled for 2020 and a fifth from 2021. With the ETICA-Pax incentive scheme, Eurotunnel contributes to the launch and accelerated development of these services.

Since 2015, Eurostar has been operating a direct seasonal service from London to Lyon, Avignon and Marseille in the spring and summer months. However, this service requires passengers to disembark at Lille on the return trip for border controls and therefore there remains significant potential for improving competitiveness.

Further opportunities for direct services exist notably to Germany (Cologne, Frankfurt), Switzerland (Geneva) and southern France (Marseille as a direct return, Bordeaux, the French Riviera). As for the Amsterdam service, these service development projects require the resolution of a number of technical, equipment and regulatory constraints (approval of trains, modification of stations, development of train paths, etc), as well as cooperation between the relevant national authorities in respect of the implementation of efficient border controls.

In 2010, Deutsche Bahn stated its intention to launch ICE High-Speed Passenger Train services from London to Cologne and Frankfurt. The operating model for these services was finally authorised by the IGC in June 2013, but a development plan is yet to be confirmed due to major project delays.

A study carried out by an internationally renowned firm in 2018 highlighted the development potential of alternative low-cost rail services between secondary stations in Paris and London such as, for example, Charles de Gaulle and Stratford International. This study confirmed both the complementary nature of such a link with the line currently operated and its potential profitability.

The Group continues its long-term efforts with national authorities and rail organisations to eliminate the barriers to the development of new destinations (efficient security and border controls, rolling stock authorisations, investment in interoperability, improved access to stations, long-term visibility, and so on).

Significant progress has been achieved with the implementation of “open access” for international passenger services across Europe and the increasing application of interoperability standards, notably with efforts to standardise IGC technical requirements for cross-Channel High-Speed Passenger Trains.

Further progress remains necessary, in particular with regards to border controls, to develop solutions that are efficient and tailored to the type of destination (preparation of boarding areas in stations for juxtaposed controls for frequent services between capital cities and other models comprising on-board control or controls on arrival for regular regional services) and thereby preserve the benefits of speed and convenience that are essential to the competitiveness of High-Speed Passenger Train services.

Further simplification of authorisation rules and processes for rolling stock and the ability to use new equipment are also essential to facilitating the development of the market. In this regard, the Group continued to invest in 2019 to adapt its electric traction installations to accommodate new rolling stock in optimal conditions, as was done for Eurostar’s Siemens e320 trains.

The Group is working in close cooperation with rail infrastructure managers on initiatives aimed at reducing these barriers to development and facilitating and promoting the development of new direct destinations (notably interoperability investments and boarding areas in stations). In this context, the Group continued and extended its cooperation with other infrastructures in 2019, through concrete initiatives such as the development of interoperable signalling systems on the London-Paris-Brussels routes (ERTMS), the design of an international terminal for border controls at Bordeaux Saint Jean (development of the Bordeaux-London market) and proposed applications of this cooperation model for the development of boarding areas in stations and border controls for other new destinations.

ii) Railway Companies’ Rail Freight Services

Market developments

Railway Companies’ Rail Freight Services compete with most means of sea and rail transport between continental Europe and the United Kingdom. They offer their own advantages of efficiency and attractiveness with a Channel crossing without the need to change to a different mode of transport and a means of transport that is particularly environmentally-friendly and potentially a quality of service not affected by roadworks or weather conditions.

After a significant surge in traffic from 2010 to mid-2015, the Railway Companies’ Rail Freight Services traffic was substantially affected by strikes in 2019.

The freight volume transported by Rail Freight Services is summarised below:

Railway Companies' Rail Freight Services	2019	2018
Cross-Channel rail freight (million tonnes)	1.39	1.30
Number of train crossings	2,144	2,077

Sources: Eurotunnel, DB Cargo on behalf of BRB, SNCF and its subsidiaries, GB Railfreight, Rail Operations Group, RailAdventure and Europorte.

Competitive environment of the Railway Companies’ Rail Freight Services

Rail freight through the Tunnel, originally developed by the state-run Railways, has had a history of disappointing results and organisational difficulties. International rail freight is also held back by inadequate national infrastructure (in particular train gauge, length and weight restrictions in Great Britain, quality and availability of paths in France), distortions in favour of sea and road transport and excessive constraints (regulatory, workforce and technical).

Rail freight trains are in competition with most modes of freight transport in operation between continental Europe and the United Kingdom and, in particular, with unaccompanied maritime services via the North Sea, with onward road or rail transport in continental Europe.

Railway Companies’ Rail Freight Services

Rail Freight Services between continental Europe and the United Kingdom are run by Railway Companies including DB Cargo (on behalf of BRB), SNCF and its subsidiaries, GB Railfreight, RailAdventure, Europorte, Rail Operations Group and potentially any goods train operator in open access. Three different types of Rail Freight Services use the Tunnel’s Railway Network:

- Intermodal trains, composed of platform wagons transporting containers or swap bodies;
- conventional trains (carrying palletised goods in enclosed wagons or bulk loads in adapted wagons such as tankers, hoppers, platforms, and so on) carried as a trainload; and
- trains with specialised wagons for transporting new cars.

In order to revive cross-Channel rail freight, the Group has adopted a strategy based on three pillars: (i) development of open access for rail freight operators, (ii) efficient processing of border constraints, and (iii) a simplified and competitive pricing policy.

With the aim of promoting the development of Rail Freight Services traffic in the Tunnel, the Group has put in place a programme to help the launch of new services (ETICA-Freight). These initiatives demonstrated their pertinence with a sustained period of traffic growth between 2010 and mid-2015, which was translated into cumulative growth of more than 40% in the number of trains, including the creation of new Intermodal services and an increase in the flow of aluminium and automobile components.

This growth dynamic was halted abruptly in the summer of 2015 during the peak of the migrant crisis in the Calais area. This resulted in the loss of half of the cross-Channel Rail Freight Services, which shifted either to unaccompanied services or to container transport via the North Sea, or more generally to transportation by road.

In 2016, the set-up of effective security for cross-Channel rail freight operations allowed traffic to stabilise at the level reached at the end of 2015, followed by a return to growth thanks to the ramp-up of services assisted by ETICA-Freight during 2017 and 2018 (and the launch of new Intermodal Rail Freight Services to Germany and Italy, suspended following the SNCF strike in the second half of 2018). In 2019, rail freight traffic recorded growth both in train numbers (+3%) and tonnage transported (+7%), despite the substantial impact of the SNCF strikes (against pension reform) which disrupted services in December.

Development of services and competitiveness

Following the loss of half of cross-Channel Rail Freight Services in 2015, the Group informed the European Commission that the common rail freight growth objectives could not be attained. The Group continues to work with the governments and the Railway Companies on implementing solutions to stimulate the revival of this traffic.

In 2018, the Group completed the construction of a full-train scanner on the national railway network in Fréthun, representing an investment of over €6 million. In 2019, the Group received authorisation to commission this scanner, which now enables customs officials to control Rail Freight Services trains moving at a speed of 20km/h, enhancing the security and fluidity of cross-Channel rail freight and consequently its attractiveness. The Group also participated in working groups with the authorities and rail freight players to organise the fluidity of cross-Channel Rail Freight Services in various Brexit scenarios, leading to digitalisation of customs formalities and their relocation to origin and destination rail terminals. This offers a robust process, independent of port and road border infrastructure, which is attractive to transporters and loaders seeking to diversify their logistics chains. In addition, the Group extended its ETICA-Freight financial aid programme to support the launch of new destinations, creating a growing interest in the development of new services.

In order for these growth efforts to produce their full effect, the Group continues to draw the attention of the authorities to the need to progressively address the barriers to development existing on the national networks (train gauge, length and tonnage limits, network quality and availability, border constraints, etc). These barriers continue to hold back the development of cross-Channel rail freight, and represent a considerable potential for efficiencies waiting to be unlocked.

c) Other revenue

In 2019, Eurotunnel's other revenue was €13 million, representing 1% of the Group's total revenue. This revenue consists mainly of (i) revenue from third-party retail businesses in the terminals on both sides of the Tunnel, (ii) revenue from telecommunication lines in the Tunnel, (iii) revenue related to the property business and (iv) the sale of travel insurance products in the United Kingdom.

i) Revenue from third-party retail businesses

At its two terminals, in France and the United Kingdom, Eurotunnel welcomes its customers in buildings containing shops and other retail outlets.

Eurotunnel's strategy is to offer travellers a choice and level of service consistent with the overall quality and value of service offered by Eurotunnel. The Victor Hugo passenger terminal building in Folkestone and the Charles Dickens building in Coquelles offer the highest international airport standards to welcome customers in a pleasant environment, and there are Flexiplus lounges reserved for premium customers.

Access to the shops, bars and restaurants is available only to customers travelling on the Shuttle Services. They are located inside the terminals, after check-in and are operated by third parties.

ii) Property business

The Group owns and manages plots of land near its French and British terminals.

From the outset of the Fixed Link project, the Group was given responsibility for local land development as an extension of its mission to design, build and operate the Fixed Link. The Fixed Link is not just a transport infrastructure: it was also designed as a platform for the future economic development of the Kent and Calais regions.

1.2.3 EUROTUNNEL: CAPACITY OF THE FIXED LINK

a) The System

i) The Tunnel

The number of trains or Shuttles that can pass through the Tunnel every hour is limited. Tunnel capacity is expressed in terms of the number of standard paths per hour in each direction. A standard path is defined as the time it takes a Shuttle train operating at 140km/h to cover that part of the System which, under normal operating conditions, is used by all other trains travelling through the Tunnel. One of the key factors determining the Tunnel's capacity is the signalling system. At the date of this Universal Registration Document, the System permits 20 standard paths per hour in each direction.

Under the Railway Usage Contract, Railway Companies' trains using the Railway Network are entitled to use up to 50% of the hourly capacity of the Tunnel that is allowed by the signalling system. This currently amounts to ten standard paths per hour in each direction for High-Speed Passenger Trains (Eurostar and new entrants) and Rail Freight Services. Railway Companies' High-Speed Passenger Trains and Rail Freight Services, because of their faster or slower speeds relative to Eurotunnel's Truck and Passenger Shuttle Services, use more than one standard path to travel through the Tunnel. At peak times, speeds can be adjusted to increase the number of trains and Shuttles travelling through the Tunnel.

Goods trains currently transport an average load of about 500 to 600 tonnes each, although some of them can transport more than 1,000 tonnes of freight, and travel at speeds varying between 100 and 120km/h. An increase in the average load or travel speed of these trains would allow the Railway Companies to increase rail freight traffic without additional use of the Tunnel's capacity. Similarly, increasing unit capacity and occupancy on High-Speed Passenger Trains (those of Eurostar and new market entrants) and, for example, synchronising them so that they run in batches would enable more passengers to be transported without using additional Tunnel capacity. For both types of traffic, the increased unit occupancy rate of the trains enables Railway Companies to increase the economic efficiency of their services, thus creating a natural incentive to make optimum use of the Tunnel capacity. In this context, the e320 trains put into service by Eurostar in 2015 offer a 20% increase in unit capacity compared to the original fleet, leading to a proportional increase in the Tunnel capacity in terms of the number of passengers. In the same way, the pricing structure by goods trains has led to a substantial increase in the average load factor since 2007.

Under the terms of the Railway Usage Contract, Eurotunnel may use any surplus capacity not used by the Railway Companies if they have not confirmed their capacity requirement by the previous day. Use of this surplus capacity provides the Group with additional flexibility in optimising the flow of traffic and scheduling Railway Companies' and Shuttle Service departures.

At the date of this Universal Registration Document, the Tunnel's capacity under normal operating conditions does not constitute a significant constraint to growth in the different types of traffic. The average path occupancy rate, which corresponds to the total current consumption of paths (Eurotunnel Shuttles and Railways) over the total capacity available, reached 53% in 2019 through a reduction in the number of Truck Shuttle departures and an increase in the load factor as part of the "Simply Better Freight" programme (see section 1.2.2.a.i above), which will allow total traffic to grow still further. This average rate does not however reflect the optimisation of path use at peak times. At peak times, the Tunnel utilisation rate often reaches 80% and sometimes even 90% on busy days.

As part of its mid-term strategic thinking for Eurotunnel, the Group is working on optimising availability of the Tunnel itself. In the medium or long term, the Group believes that it will be possible to increase the Tunnel's capacity by the following means:

- setting uniform operating speeds for all trains, which would allow more trains to run on the same number of standard paths. Currently, goods trains travel in the Tunnel at a speed of 100 or 120km/h, while High-Speed Passenger Trains can reach a speed of 160km/h in the Tunnel. These speed differentials use a large part of the System capacity, because they require Eurotunnel to leave greater intervals between trains than would be necessary if they all travelled at the same speed. Use of the System's capacity could therefore be improved by shifting slow or infrequent freight trains to off-peak times, and by scheduling trains that travel at speeds higher (160km/h) or lower (120km/h) than the standard path (140km/h) so that they run in batches during peak hours;
- increasing the power of the locomotives pulling the Shuttles to allow the use of longer trains or reduce transit times;
- improving the electrical power supply by replacing the booster with better and more powerful equipment, aimed at improving the quality of the electrical signal;
- reducing the spacing between trains using the Tunnel so as to raise System capacity to 24 standard paths per hour in both directions via an improvement in the fixed equipment and the installation of an ATO (Automatic Train Operation) on board trains to reduce the impact of safety rules specific to the Tunnel relating to train spacing; and
- improving the rail signalling system, notably with the European Train Control System (ETCS) that aims to optimise border crossings while guaranteeing traffic safety.

Notwithstanding this approach, the Group is also working on optimising the use of the Tunnel, with economic, commercial and environmental objectives.

Some of these measures require approval by the IGC, which has supervisory authority over Tunnel operation.

As part of the strategy to continually improve and modernise the infrastructure to offer increased interoperability with the whole of the trans-European rail network, Eurotunnel has installed GSM-R (Global System for Mobile Communications – Railway), a ground to train radio communications network in the Tunnel.

ii) Terminals

Currently, 10 boarding platforms are in service at the French terminal and 10 at the British terminal. Both terminals were designed so that the number of boarding platforms could be increased to 16 at each terminal.

Eurotunnel's current strategy is to optimise the reliability of loading and unloading times to increase frequency using the existing platforms.

Within the context of Brexit, the Group has worked closely with the relevant authorities to set up differentiated routes and to adapt the facilities to the specific needs of the various controls. Eurotunnel has designed, in collaboration with the French customs authorities, an intelligent border system to maintain the fluidity of border crossings. This system consists of a notification system which allows the carrier to indicate, when registering his journey in the Eurotunnel information system, the documentary elements required by French customs before boarding. When the driver enters the Pit-Stop and prior to boarding, the information collected will be transmitted in real time to the Customs information system in order to be reconciled with the customs formalities recorded by shippers in the information systems.

For several years, number plate recognition has made it possible to avoid stopping at toll booths. More recently, an innovative programme set up with the authorities has made it possible for drivers who wish to do so to no longer have to stop each time to have their identity checked. In 2019, the Group has continued its investments with, in particular, the introduction of a scanner for vans and a scanner for rail freight, with the support of the authorities to improve the effectiveness of border controls as described in section 1.6.1 of this Universal Registration Document.

These developments help improve traffic flow and the quality of service.

b) Rolling stock

At the date of this Universal Registration Document, Eurotunnel has 18 Truck Shuttles (including three purchased in 2017), six with a capacity of 31 trucks and 12 with a capacity of 32 trucks.

Eurotunnel has nine Passenger Shuttles each able to carry up to 180 cars (smaller-sized) or 120 cars and 12 coaches.

Planned changes in the Shuttle fleet are described in section 1.6.1 of this Universal Registration Document.

1.2.4 EUROTUNNEL: RELIABILITY OF THE SYSTEM

From the outset, the Group has aimed for the highest level of System availability and safety through a policy of sustained investment and demanding maintenance with an investment of more than one billion euros by the Concessionaires since the start of operations in 1994.

a) Maintenance strategy

Eurotunnel's digital vision includes two elements that directly relate to optimising maintenance:

- Optimising infrastructure and rolling stock management through data analysis: increasing the reliability and availability of infrastructure and rolling stock through predictive maintenance, digitisation of teams on the ground and optimisation of planning schedules.
- Building a global platform to enable collection, visualisation, analysis and prediction using reliable and secure data, accessible to maintenance staff in real time.

b) Maintenance and availability of the Tunnel

Scheduled weekly maintenance of the Tunnel is planned and structured so as to promote efficient use of the Tunnel and avoid disruption to commercial operations. In order to optimise infrastructure maintenance, it is envisaged that time spent maintaining the two rail tunnels will be reduced through the use of digital inspection tools. Eurotunnel has invested in rapid-action cameras to inspect the track and catenary, which are used weekly in the Tunnel. This initial phase will be extended with the acquisition of a measurement train specifically for use in the Tunnel. It will circulate each week and deliver a very accurate assessment of the condition of the track, catenary, electromechanical equipment and the civil engineering infrastructure, to eliminate the need for long visual inspections on foot and strengthen the predictive maintenance approach.

As in previous years, service disruptions due to fixed equipment failure remained immaterial and even decreased.

The operational plan aiming to limit fire risk (the Salamandre Plan) and the creation of fire-fighting stations (SAFE) contribute to protecting the infrastructure in case of fire on board a Shuttle or a train. The Tunnel has rescue mission specialist teams who patrol the service tunnel 24 hours a day. Since 2011, four SAFE stations are operational in the Tunnel central Intervals so that in the event of a fire on a Truck Shuttle, the 800-metre long train can rapidly reach one of these stations. The Tunnel is the only infrastructure of its type in the world equipped with a system of this kind.

In order to test response plans for the emergency services and successful coordination in the event of an accident in the Tunnel, the Group and the public authorities organise an annual major full-scale safety exercise: the Binat (as in binational). The latest Binat, held in January 2020, was the 30th since the construction of the Tunnel and the 24th since the opening of commercial services in 1994.

In 2019, as part of its multi-year plan to reinforce the catenary that supplies the power required to operate the Shuttles and trains circulating in the rail tunnels, Eurotunnel completed the installation of new synthetic isolators to improve the operating availability of the electrical power supply.

Rails at the terminals are replaced as part of the routine maintenance programme, without major disruption to commercial services. The strategy implemented has reduced costs without harming the quality of the track.

c) Rolling stock maintenance and availability

The process of optimising the rolling stock maintenance strategy aims to:

- improve the availability, performance and quality of the Shuttles;
- increase processing capacity and so optimise the total cost of maintenance; and
- rationalise technical choices and industrial resources.

This process is based on several workstreams:

- optimisation of the organisation of Truck Shuttles maintenance in order to make an additional Shuttle available for commercial service on weekdays and to handle the increase in kilometres travelled;
- desaturation of the train maintenance industrial tool by optimising the usage of the short-term maintenance workshop, particularly at night, in addition to normal rotations;
- technical redesign of maintenance on systems that have a high impact on performance and quality, focussing on the relevance of maintenance instructions and the implementation of appropriate large-scale maintenance programmes; and
- optimisation of key processes such as corrective maintenance, re-profiling and axle replacement, and including improvement in the efficiency of human, industrial and IT resources.

Eurotunnel seeks to make the best use of its transport capacity by improving the load factor and availability of its rolling stock by adapting its maintenance processes. Measures implemented in 2019 enabled lost capacity due to the non-availability of rolling stock to be reduced by 40% compared to 2018:

- Shuttle availability and capacity was improved thanks to improved responsiveness. Planning scenarios were tested to free up tracks in the maintenance workshops before and during periods of high demand and speed up the technical repair of Shuttles.
- Preventive measures were organised occasionally on a single track, to free up a track for maintenance and targeted repairs.

Eurotunnel's repair and maintenance programmes have helped to improve the reliability of the electric locomotives and Truck and Passenger Shuttles. In planning its maintenance programme, Eurotunnel's objectives are to:

- ensure that safety requirements are met;
- avoid rolling stock being out of service for prolonged periods; and
- maximise the number of Shuttles available at peak hours.

Under current maintenance programmes, light maintenance and safety inspections are carried out every 44 days or 30,000 km for the locomotives, Truck Shuttles and Passenger Shuttles. Every 600 to 1,200 days, depending on the type of equipment and the number of kilometres it has covered, each piece of equipment is taken out of service for one to six weeks to undergo an extensive preventive maintenance programme.

The goal of the large-scale maintenance programme is to:

- meet safety requirements (e.g. bogies, brakes, couplings and batteries);
- restore and improve the reliability of systems (e.g. canopies and hydraulics on single deck loaders);
- extend the life of wagons (e.g. floors);
- ensure customer comfort (e.g. air conditioning, toilets and interiors); and
- perform work requiring down time and specific equipment.

Eurotunnel is implementing simplification and renovation programmes aimed at further reducing future maintenance requirements and improving reliability of rolling stock.

1.3 EUROPORTE ACTIVITIES

1.3.1 EUROPORTE'S MAIN MARKETS

According to figures published by the French Ministry for Ecological and Inclusive Transition[10], French rail freight volumes totalled 31.9 billion tonne kilometres in 2018, down 4.5% compared to 2017 (33.4 billion tonne kilometres). Against the backdrop of SNCF Réseau strikes in December 2019, when only 25% of trains circulated, Europorte transported 1.8 billion tonne kilometres in 2019, up 12% compared to 2018, representing an estimated market share of between 5% and 6%.

1.3.2 EUROPORTE'S ACTIVITIES

Thanks to its dense coverage in France, Europorte is positioned as a growth vehicle for the Group. It is present across the entire rail freight transport logistics chain, from collecting and routing on primary and secondary networks (Europorte France) to loading and unloading of wagons on private branch lines on industrial sites (Socorail) and managing rail infrastructure (ports, private and public/private industrial sites) in France and also in Belgium. Europorte is developing its various complementary activities concurrently in order to offer its customers complete and customised solutions that meet their expectations for integrated logistics chains and high quality of service.

Revenue generated by Europorte's activities in 2019 increased by 4% on 2018 to €126 million, stimulated yet again by growth in the transport of cement and petrochemical products and new logistic contract wins at industrial sites.

a) Europorte France (EPF)

Europorte France is a private rail company that offers its customers a service hauling goods trains throughout the railway network. Every day, EPF carries out main line rail haulage operations 24 hours a day and seven days a week throughout France. It also provides connections to neighbouring European countries, in partnership or as an open access operator, particularly in Belgium where EPF has its own railway authorisations (licence and certificate).

EPF operated on average around 170 commercial trains per week in 2019, a year marked by strikes by SNCF Réseau employees protesting pension reforms announced by the French government. For this it has a fleet of 74 main line electric and diesel locomotives which are interoperable with neighbouring European countries. They are used on average by around 280 drivers and operators authorised for safety operations on the French railway network and, in some cases, in Belgium.

EPF has designed its operating model based on six key parameters, specifically with a view to serving its private industrial customers:

- optimisation of transport plans based on regular paths;
- organisation of the rail businesses through regional hubs;
- guaranteed service through the provision of reliable human and other resources dedicated to traffic;
- regular and punctual delivery of goods;
- safety on customers' private branch lines and on the national railway network; and
- communication on the status of customers' freight traffic.

Since 31 March 2006, rail freight transport (international and domestic freight) has been fully open to competition in France, in application of European texts (the "railway packages" presented in chapter 8 of this Universal Registration Document). To be able to operate on the French rail network, Railway Companies must have:

- a European rail freight company licence issued by their country of establishment (by the Ministry of Transport for French companies) or by another Member State of the European Union. This licence certifies that the undertaking meets a minimum requirement in terms of good reputation, financial standing and professional competence, as well as civil liability cover;
- and a safety certificate for the lines on which the operator wishes to operate issued by the National Safety Authority (ANS): the Établissement Public de Sécurité Ferroviaire (EPSF) in France.

Europorte transports all types of goods, with the exception of explosive, nuclear and biological materials. Its entire operating system is designed in accordance with the rules on transporting dangerous goods in order to maximise the safety of its operations. In 2018, Europorte consolidated its petrochemical and cement segments and continued its expansion in Belgium and Germany. 2019 continued in the same vein as 2018, with a strengthened presence in the petrochemical segment and cross-border flows.

EPF further diversified the goods that it transports in order to balance out the risk of seasonal fluctuations in the volumes transported. EPF has also continued to consolidate its rail business along France's north/south corridor through its hubs. It pursued the development of its range of one-off services (spot trains) and offered specific services in response to the needs of customers in the agri-food and automotive sectors to meet growing demand from rail freight customers for seasonal transport requirements.

EPF also continues its freight forwarder business, mostly for grain transport.

All main line locomotives are equipped with GPS positioning and exchange all relevant technical data with the operating and maintenance teams. The command post agents are able to display information on tablets such as the position of the train, its schedule in relation to its paths, the battery condition and the amount of fuel in its tank. In turn, drivers are gradually being equipped with tablets incorporating driving documents and traffic information (alert reports and so on).

[10] *Source: Observation and Statistics Service of the French General Commissariat for Sustainable Development (GCSD).*

b) Socorail

For more than 40 years, Socorail has been providing internal logistics services on industrial sites: wagon handling operations, track maintenance, loading and unloading of wagons and trucks, and operations on ships. Socorail's activities cover a range of services to industry, mainly involving dispatch and reception of raw, semi-finished or finished products, and management of rail infrastructure:

- management of industrial sidings including reception, handling and dispatch of loaded or unloaded wagons and the associated administrative processing;
- loading or unloading wagons, particularly tank wagons;
- terminal rail services in port zones and on the French railway network;
- provision of rail haulage engines on a full service basis;
- track maintenance;
- traffic management of rail networks at various ports;
- management of front offices and loading tracks for tank wagons;
- operation of the port terminal for an oil refinery; and
- ancillary services, including training in these activities.

Socorail works at around 40 industrial sites and six ports, including around 20 sites classified as SEVESO II in the oil, chemicals, steel making, automotive and construction material sectors. Socorail is MASE and ISO 9001 certified. Present throughout France, Socorail manages wagons, trucks and operations on ships and port infrastructure.

Socorail is developing a service offering to rail infrastructure managers consisting of traffic management and railway maintenance. In 2018, the company launched two new feeder lines maintenance operations, one in the Hauts-de-France region for the regional council, and the other in the eastern France region for SNCF. In 2019, the company successfully continued the development of its logistics business on industrial sites, with the start-up of two new contracts in the petrochemical sector.

The delegated infrastructure management sector is Socorail's largest business, accounting for 39% of its 2019 revenue, followed by the oil/hydrocarbon refining sector at 22%. The chemicals, automobile and services to port terminals sectors contributed 14%, 6% and 6% respectively.

c) Europorte Proximité (EPP)

Europorte Proximité focuses on its maintenance activity for low-power diesel locomotives used by Europorte France and Socorail.

d) Europorte Channel (EPC)

In 2018, Europorte took over ground rail operations at the Calais-Fréthun site adjoining the Concession and is responsible for managing cross-Channel rail freight traffic. Like all Railway Companies, Europorte pays the charge for the use of the Fixed Link for any crossing through the Tunnel, as explained in section 1.2.2.b of this Universal Registration Document. This activity therefore contributes to the recovery of the cross-Channel rail freight business.

e) Europorte TCSO (EPTCSO)

At the beginning of 2016, Europorte created a subsidiary Europorte Terminal Container du Sud-Ouest, in order to manage the container terminal at the Grand Port Maritime in Bordeaux, which, as explained in section 3.2.1 of this Universal Registration Document, will now not happen.

f) Developing mobility in the regions

On 22 November 2019, the RATP and Getlink groups announced a partnership in view of the opening of the French TER (regional express trains) market to competition. They will create a joint subsidiary owned 55% by RATP and 45% by Getlink, subject to receiving the necessary administrative authorisations. This decision is founded on the strategic alignment of the two groups: RATP Dev is a specialist in operations and maintenance in passenger transport both in France and internationally. Getlink is a major player in mobility infrastructure, specialising in the management, operation and maintenance of infrastructure, the operation of rail and Shuttle services and the operation of freight trains on a national and international level. The alliance between the two groups will enable the creation of a new structure bringing together the full range of skills needed to respond to tenders for regional rail services. It is also supported by the complementary activities of the two groups in the Hauts-de-France and Grand Est regions of France. The partnership with the RATP group will enable the different strengths of the two groups to be combined to promote mobility in the regions for the benefit of the travelling public.

1.4 ELECLINK ACTIVITIES

Getlink seeks to further enhance its infrastructure by developing an electricity interconnector project in the Tunnel. The ElecLink project involves the installation of a new electricity interconnector between the French and British grids. This will enable the import and export of electricity from one country to the other with a bi-directional transmission capacity of 1GW via high-voltage direct current cabling installed in the north rail tunnel. ElecLink Limited, which is the company carrying out the investment (scheduled to commence commercial operations in mid-2021), will own the only fully private cross-Channel electricity interconnector benefitting from a 25-year exemption from certain European regulations namely article 17 of European Directive 714/2009. This will enable Getlink to retain the economic value generated by the asset subject to the profit-sharing mechanisms agreed under the exemption. This link will also play a key societal role by enhancing the integration of European power markets by optimising the dispatch of installed generation capacity, including renewable energy sources, across both countries and securing affordable electricity supplies to consumers. The entry into service of ElecLink in 2021 will represent a marked improvement in the profitability of the Group.

Construction formally commenced at the end of 2016 and ElecLink awarded the construction contracts to leading companies: Siemens for the two converter stations in France and the United Kingdom and Balfour Beatty/Prysmian for the supply and installation of the direct current cables in the Tunnel and the underground alternating current cable required to connect the ElecLink converter station to the British high voltage grid at the National Grid ESO substation at Sellindge in the United Kingdom. In France, RTE has provided the underground alternating current cables connecting the ElecLink converter station to the substation at Les Mandarins.

As at 31 December 2019, the following activities had been completed successfully:

- Construction of the two converter stations, including all civil and electromechanical works outside the Tunnel;
- Construction of a 14.5km system of underground alternating current cables in the United Kingdom between the ElecLink converter station in Folkestone and the national grid substation in Sellindge;
- Manufacturing of the direct current cables;
- Enabling works inside the Tunnel consisting of a steel support structure for the cables (brackets fixed to the Tunnel lining which support a monorail system); and
- Enabling works outside the Tunnel, including assembly facilities: the cables are assembled on a specially designed helix in readiness to be pulled into the Tunnel on an external monorail system.

The completion of these works has paved the way for the final stage of the project which will see the installation of the direct current cables in the Tunnel.

As indicated in chapter 3 of this Universal Registration Document, the construction, as with any new project, carries risks linked to its technical implementation and compliance with performance levels as well as the commissioning schedule, all within a regulatory context that may change.

The safety of the project, both in terms of construction safety and the operational safety of the cable in the Tunnel, is paramount to the Group and is the subject of detailed ongoing monitoring by the Channel Tunnel Safety Authority of the IGC. This authority is responsible for the constant supervision of work on the ElecLink project to ensure the safe installation and operation of the cable. In response to supplementary requests from the IGC, the Group conducted a large number of studies and additional assessments, after which it applied for an authorisation to start cable pulling operations. The independent assessment body appointed at the request of the IGC to analyse the safety risks and their reduction (AsBo-Assessment Body), commissioned in accordance with the requirements of the Common Safety Method, has drawn up an Interim Safety Assessment Report (I-SAR) for the installation of the cable, which confirms the assessment and control of the risks.

On 9 January 2020, the IGC confirmed that it plans to make a decision in April 2020. In this context, the Group currently expects that commercial operation of the interconnector will start in mid-2021. The exemption granted to ElecLink by the national regulators and the European Commission in 2014 is subject to the condition that the infrastructure must have become operational by 31 July 2020. The Group has approached the national regulators to obtain an extension to this deadline.

Project investment totalled €136 million in 2019, bringing the total investment since the takeover of ElecLink by the Group in 2016 to €605 million.

Once operational, ElecLink will benefit from the following complementary revenue streams:

- Revenues from the auctioning of physical transmission rights:

  This will be the primary source of income for ElecLink and will provide electricity market participants (traders, generators and suppliers) the opportunity to purchase up to 1,000MW of transmission capacity in either direction of flow.

  ElecLink will offer both long-term (e.g. annual, seasonal, quarterly and monthly) and short-term (i.e. day ahead and intraday) products. All products will be made available to the market through open, transparent and non-discriminatory auction mechanisms in compliance with the ElecLink Access Rules, which were approved by the national energy regulators, the Office of Gas and Electricity Markets (Ofgem) in Great Britain and the Commission de régulation de l'énergie (CRE) in France, during the course of 2019.

The ElecLink Access Rules set out the terms on which third parties can purchase and use transmission capacity on the interconnector both in the event that the United Kingdom remains part of the European internal energy market after Brexit[11] and in the event that the United Kingdom's membership of the European internal energy market is discontinued[12].

The Charging Methodology Statement for the ElecLink interconnector, which was also approved by Ofgem in 2019, sets out the methods and principles on which charges for the use of the interconnector will be based both in the event that the United Kingdom remains part of the European internal energy market after the Transition Period[13] and in the event that the United Kingdom's membership of the European internal energy market is discontinued[14].

- Revenues from the capacity markets in France[15] and Great Britain[16]:

  Through these national mechanisms - administered by Réseau de transport d'électricité (RTE) in France and by National Grid ESO, the electricity system operator, in Great Britain - electricity interconnectors are remunerated, alongside generators and other capacity providers, for their contribution to security of supply either through the sale of capacity certificates to energy suppliers in France or through annual capacity agreements awarded through auctions in Great Britain.

  In 2019, ElecLink entered into an agreement with RTE confirming its participation in the French capacity market from 2021, while in Great Britain the company prequalified successfully for the T-3 (three years ahead) and T-4 (four years ahead) auctions taking place in 2020 which will award capacity agreements for the periods 1 October 2022 to 30 September 2023 and 1 October 2023 to 30 September 2024 respectively. This follows the successful participation of ElecLink in the 2018 T-4 capacity auction for the period 1 October 2021 to 30 September 2022 through which the company secured an agreement equating to £5.8 million (2016/17 values). Following a ruling from the Court of Justice of the European Union dated 15 November 2018[17], the capacity market in Great Britain was temporarily suspended, but was reinstated in October 2019[18].

- Revenues from the provision of ancillary services to the national Transmission System Operators (TSOs) in France and Great Britain:

  These services facilitate short-term changes to the flow of energy over the interconnector and are used by the national TSOs to ensure the security and quality of supply of electricity in their grids. They may include frequency response services, provision of reactive power, emergency assistance, constraint management and intertripping among other services which may be agreed from time to time between ElecLink and the national TSOs.

TSOs, including interconnector owners/operators, are obliged to respect independence rules aimed at achieving legal and functional separation from companies exercising a production or supply activity as laid down in the French Energy Code, the 1989 Electricity Act in the UK ("Electricity Act") and European Directive 2009/72/EU of 13 July 2009 ("Electricity Directive"). The effective legal and functional unbundling between the management and operation of transmission networks and the activities of electricity production and supply has the ultimate aim of avoiding any risk of discrimination between the users of the transmission network. A formal certification procedure, overseen by the national regulatory authorities for energy and the European Commission, aims to ensure that the rules relating to independence are respected. On 31 January and 11 February 2019 respectively, CRE and Ofgem decided to grant certification to ElecLink (in accordance with article R. 111-5 of the French Energy Code[19] and section 10D of the Electricity Act[20] in the UK) under the full ownership unbundling model.

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11 *The ElecLink Access Rules applicable if the United Kingdom remains part of the European internal energy market after Brexit were approved by Ofgem in August 2019 and by CRE in October 2019. The rules can be found at the following link: /www.eleclink.co.uk/information/ElecLink%20Access%20Rules_Issue%202.0.pdf.*

12 *The ElecLink Access Rules applicable if the United Kingdom does not remain part of the European internal energy market after Brexit were approved by CRE in October 2019 and by Ofgem in December 2019. The rules can be found at the following link: www.eleclink.co.uk/information/ElecLink%20non-IEM%20Access%20Rules%20(Brexit%20scenario).pdf.*

13 *The Charging Methodology Statement applicable if the United Kingdom remains part of the European internal energy market after Brexit was approved by Ofgem in August 2019 and can be found at the following link: /www.eleclink.co.uk/information/ElecLink%20Charging%20Methodology%20Statement_Issue%202.0.pdf.*

14 *The Charging Methodology Statement applicable if the United Kingdom does not remain part of the European internal energy market after Brexit was approved by Ofgem in December 2019 and can be found at the following link: www.eleclink.co.uk/information/ElecLink%20Charging%20Methodology%20Statement%20(Brexit%20scenario).pdf.*

15 *A description of the French capacity market can be found at the following link: www.services-rte.com/fr/decouvrez-nos-offres-de-services/participez-au-mecanisme-de-capacite.html.*

16 *Further information on the capacity market in Great Britain can be found at the following link: www.emrdeliverybody.com/cm/home.aspx.*

17 *Case T-793/14: Tempus Energy and Tempus Energy Technology v Commission.*

18 *www.gov.uk/government/publications/capacity-market-reinstatement-letters-from-beis-to-national-grid-eso-and-esc-october-2019.*

19 *Certification decision of CRE: www.cre.fr/Documents/Deliberations/Decision/Certification-de-la-societe-ElecLink.*

20 *Certification decision of Ofgem: www.ofgem.gov.uk/publications-and-updates/certification-under-ownership-unbundling-requirements-third-package-decision-gas-and-electricity-markets-authority-eleclink-limited.*

1.5 GETLINK ACTIVITIES

The Getlink segment encompasses the Group's corporate services, the activities of the Group parent company, Getlink SE, as well as those of its direct subsidiaries including the railway training centre CIFFCO.

Training activity: CIFFCO, the Opal Coast international railway training centre

With the company CIFFCO, Getlink has a railway training centre at its disposal, which is a technical resource to support its growth as the Tunnel Concessionaire and a railway business. The CIFFCO training centre is open to all rail operators, infrastructure managers and industrial companies for the training of their staff, enabling stakeholders to benefit from Getlink's expertise as described in chapter 6 of this Universal Registration Document.

Property business: Euro-Immo GET

As an extension of its mission to design and operate the Fixed Link as described in section 1.2.2.c.ii. above, the Group was given responsibility for local land development.

As part of the responsibility for local land development and in order to further boost the appeal of the Calais area as a tourist destination, Euro-Immo GET, a Getlink SE subsidiary, was awarded on 18 February 2013 the land development concession for the integrated seaside eco-village and golf resort project at the Porte des Deux Caps.

The development of the area entrusted to Euro-Immo GET, the project supervisor, encompasses all the work relating to roads, networks, open spaces and various facilities designed to meet the needs of the future occupiers, owners, inhabitants and users of the new buildings. The concessionaire will manage the assets acquired until they are transferred to the builders. The concession will last for 10 years.

On 28 June 2018, the declaration of public utility was extended for a further five-year period for the seaside eco-village at the Porte des Deux Caps.

GDEAM-62 (Groupement de défense de l'Environnement de l'Arrondissement de Montreuil-sur-Mer, a group created to protect the environment in the Montreuil-sur-Mer district) filed an objection with the Administrative Court of Lille on 20 January 2014, seeking the cancellation of the prefectoral order of 12 July 2013. In a ruling of 24 January 2017, the court dismissed the objection as unfounded. However, following an appeal by GDEAM-62, the Administrative Appeal Court of Douai in a ruling of 3 July 2019, cancelled the judgment delivered by the court of first instance and accepted the association's claims by cancelling both the prefectoral order of 12 July 2013 on the declaration of public utility and the implicit decision to dismiss its appeal.

The Ministère de la cohésion des territoires et des relations avec les collectivités territoriales (French Ministry of Territorial Cohesion and Territorial Communities Relationships) appealed to the Conseil d'Etat on 28 August 2019 against this appeal decision and Euro-Immo GET also filed an appeal on 3 September 2019 and a supplementary submission on 3 December 2019 with the Conseil d'Etat. The proceedings are ongoing.

Euro Carex

The Group is involved in the Euro Carex project via its subsidiary London Carex Limited. The Paris Charles de Gaulle, Lyon Saint Exupéry and Liège airports have linked up with logistics companies including FedEx, TNT and La Poste to try to encourage a transfer of air freight onto the European high-speed railway network. London Carex is part of this umbrella organisation, the Euro Carex association, tasked with developing the British end of the network. The Carex concept is similar to a cargo aircraft running on rail: high-speed trains that have been modified to carry air freight containers. In 2017, the association launched a tender for a European business plan. The study began in 2017 and confirmed the existence of a market. Initial contacts made in Germany were continued. The recent debates on the carbon footprint generated by air transport have boosted the interest of airports and freight-forwarders in this project to transfer air freight onto the European high-speed railway network.

In 2018, Trenitalia launched a service based on the same concept as Carex between northern and southern Italy. Carex has made a number of contacts, with a view to Trenitalia becoming part of the project.

1.6 MAJOR INVESTMENTS

1.6.1 MAJOR INVESTMENTS

Punctuality, reliability, adaptability, safety and the environment are the key words of the investment programme. More broadly, as part of a collaborative dynamic, Eurotunnel's medium-term focus is in the following projects that seek to improve the operational profitability of assets used in operations:

- Simplifying and optimising operating conditions throughout the customer journey, placing the safety of people, control of operating processes and improvement of the customer experience at the centre of requirements, in order also to be able to deal with any changes in administrative formalities linked to Brexit.
- Digitalising and automating processes to improve the customer experience and increase the fluidity of service and maintenance of the Tunnel and its equipment.
- Enhancing the operational availability of infrastructure and rolling stock, through a strict quality policy and attaining the highest level of RAMS availability (reliability, availability, maintainability and safety) in the market: in particular, the first generation Truck Shuttles will be replaced by a new generation of Shuttles that are simpler and more reliable, the Truck Shuttle Club-Cars will be replaced and the Passenger Shuttles will be modernised by improving the availability of critical equipment such as air conditioning, fire doors and converters.
- Simplifying and optimising the operating performance of the Truck Shuttle service by generating gains through the Simply Better Freight programme (see section 1.2.2.a.i above) through universal services and solutions. In this regard, the Truck Shuttle operating fleet will be standardised by installing four pagodas to increase the load factor, simplifying and improving the reliability of pre-departure technical checks and simplifying loading conditions for Passenger Shuttles in real-time to improve the load factor, mainly through the use of digital tools.
- Promoting optimisation of the load factor by strengthening the flexible pricing system according to anticipated load factors for both Truck Shuttles and Passenger Shuttles.
- Increasing transport capacity by improving the reliability of Shuttle cycle times and restricting production losses: seek to reduce transit times by installing Automatic Train Operation (ATO) with ETCS (European Train Control System) and controlling customer loading and unloading times by focusing on their guidance (signs, location of agents, communication and in the long-term, vehicle guidance systems similar to self-parking systems in semi-autonomous vehicles).
- Improve operational security (by the installation of the four pagodas and better safety in the Tunnel if smoke is detected using ATO).

a) Major investments over the last three years

The Group's investments in the last three years total €262 million for the 2017 financial year, €284 million for the 2018 financial year and €244 million for the 2019 financial year.

Over the last three financial years, the Group has invested more than €245 million in Eurotunnel, including:

- the Passenger Shuttle fleet renovation programme (approximately €36 million over the three financial years);
- the Truck Shuttle fleet universality programme comprising (i) the purchase of three new Truck Shuttles (approximately €19 million over the three financial years) brought into commercial service in 2017; (ii) the programme to install pagodas on second generation Truck Shuttles (approximately €6 million over the three financial years);
- the Brexit preparation programme (approximately €30 million over the three financial years) and the "agile border" project comprising:
  - construction of premises for customs and veterinary checks, infrastructures to accommodate the two State services responsible for performing checks: customs checks and veterinary checks which require inspection by the French veterinary and phytosanitary service (SIVEP);
  - construction of a cross-Channel goods train scanner on the SNCF Réseau tracks in Fréthun. This scanner reduces the time necessary for border controls by customs officials in Fréthun, further improving the quality and competitiveness of cross-Channel rail freight with a view to Brexit;
  - commissioning of facial recognition PARAFE (automated fast-track crossing at external borders) gates, the result of collective work carried out over several months under the auspices of the French Interior Minister; this high-tech investment financed by Eurotunnel will make it easier for passengers holding biometric passports to cross the border;
  - construction of an export park to welcome Truck Shuttle Service customers who have yet to finalise their administrative and customs procedures for their future journey to the UK;
  - the creation of Pit-Stops combining safety, security and migratory measures for trucks before the toll booths.
- the strengthening of the electrical traction network by building a new booster converter twice as powerful as the existing one and increasing the capacity of the catenary by adding high-tension co-axial cables (approximately €28 million over the three financial years) in a project to be continued in 2020;
- the construction and fit-out of a new lounge for Flexiplus customers at each terminal (approximately €12 million over the three financial years); the lounge at the French terminal was inaugurated in 2017 and at the British terminal in 2018.

In the last three financial years, the Group's investments for the Europorte segment totalled around €8 million, almost entirely relating to major refurbishment work on locomotives.

On 23 August 2016, the Group acquired Star Capital's 51% holding in the ElecLink Limited joint venture for €75 million, the rationale for development being based on its capacity to diversify the Group's activity in order to optimise the existing infrastructure of the Tunnel. Since taking over ElecLink in 2016 to 31 December 2019, the Group has invested €605 million (of which €531 million was in the last three financial years).

On 9 February 2018, as part of the Group's strategy to optimise its financing structure, a UK subsidiary of Getlink SE, Eurotunnel Agent Services Limited, purchased the Channel Link Enterprises Finance Plc (CLEF) G2 notes for a consideration of £359 million. This transaction is described in notes A.2.1, D.8 and G.7 to the consolidated financial statements in section 2.2.1 of the 2018 Registration Document.

b) Major future investments

Investment projects planned for 2020 fall into two categories: projects to modernise existing equipment before it becomes obsolete and projects to improve the quality of service, particularly in the context of Brexit. Each project has a degree of flexibility in terms of scope and phasing which may be adjusted as circumstances change. In the current economic environment, these investments are for the most part essential to sustaining the competitiveness and market shares of Eurotunnel's activities.

In 2020, replacement projects mainly concern rolling stock. Intensive use and the natural life cycle of rolling stock lead to deterioration in some of the wagon equipment. To remedy this, several modernisation and replacement programmes have been launched, such as the Passenger Shuttle renovation programme which will focus on the technical and aesthetic refurbishment of the Shuttles. The first generation Truck Shuttle renovation programme will also be rolled out this year.

For infrastructure maintenance, the replacement programme for the fleet of shunting engines that pull work trains in the Tunnel and the maintenance train project to measure track parameters, which has evolved towards an inspection train, will continue.

As part of service quality improvement measures, the programme to improve the electrical power supply will continue. A new generation of Club-Cars, the vehicles that transport truck drivers through the Tunnel, is under consideration.

More generally, the continuation of the digital transformation programme aims to bring greater transparency to traffic flows, improve the customer experience and optimise the management of maintenance with increasingly efficient hypervision tools, which will allow the real-time exploitation of thousands of datapoints in order to detect equipment drift and failure in advance of it happening.

Finally, the uncertainties surrounding Brexit have led to continued investment to integrate additional checks that will be performed by customs officials, veterinary officials and police officers already present at the terminals. These controls will be included in the customer journey in a "*smart border.*" Eurotunnel's investments in preparation for Brexit are presented above.

Based on the date of entry into service of the ElecLink electrical interconnector currently scheduled for mid-2021, the estimated external construction costs of the ElecLink project, from the time the Group took 100% control in August 2016 until the expected end of construction, are estimated at €600 million at the current exchange rate. This sum corresponds to the EPC contracts as described in sections 1.4 and 1.6.1 above and covers technological architecture solutions and the completion of construction works as well as the research and connections to national grids and project management. To those external construction costs, the various associated expenditure and running costs (personnel, office, IT, professional fees and insurance costs) are added, which increases estimated external project costs up to around €675 million. After taking into account intra-Group fees that ElecLink pays to Eurotunnel and to Getlink including gaining access to works time in the Tunnel and for the financing of the project, the total cost of the project is currently estimated to be around €785 million (of which €605 million has been spent up to the end of 2019).

Sources of funds for future investments

As indicated in sections 2.1.2 and 2.1.3 of this Universal Registration Document, the Group has cash balances of more than €500 million at 31 December 2019 and, under normal conditions, the Group generates free cash flow of more than €200 million per year. The main future investments for the Fixed Link are expected to be self-funded. As at 31 December 2019, the balance on the "Capex Reserve" account earmarked to finance long-term investment projects, such as those described above, was £26.3 million.

Acquisitions of rolling stock for Europorte may be funded by external loans or sale and leaseback transactions.

On 3 October 2018, Getlink SE issued five-year Senior Secured Notes as Green Bonds for a total principal amount of €550 million at a rate of 3.625% per annum, maturing on 1 October 2023. The issue proceeds were partly allocated to the repayment of the £190 million loan contracted in February 2018 for the purchase of G2 notes by Eurotunnel Agent Services Limited, a subsidiary of Getlink SE, as described in note G.7 to the consolidated financial statements in section 2.2.1 of this Universal Registration Document. The refinancing falls into the clean transportation category. The other portion was allocated to the ElecLink project financing as well as several environmentally-friendly Eurotunnel upgrade projects falling into the categories of clean transportation, energy efficiency, pollution prevention and control and the fight against climate change.

As at 31 December 2019, a total of €516 million was invested in the selected projects. This corresponds to 96% of the Green Bond net proceeds of €540 million in the following proportions:

- Clean transportation: 40% (of which 39% for refinancing and 1% for Eurotunnel upgrade projects);
- Energy efficiency: 53% (of which 40% for ElecLink and 13% for Eurotunnel upgrade projects);
- Pollution prevention and control, fight against climate change: 3% (Eurotunnel upgrade projects).

The remaining €24 million will be used in 2020 to complete projects that were not finalised in 2019.

The actions are described in chapter 6 of this Universal Registration Document.

1.6.2 TRADEMARKS, PATENTS AND LICENCES

Trademarks and domain names

The Group's main trademarks are the nominative, figurative and semi figurative trademarks that protect the "Eurotunnel" name and the design of the logo as well as "Getlink". The other trademarks used are registered mainly to protect the corporate names of the Group companies, such as "France Manche", "Europorte" or "ElecLink", and certain brand names, such as "Le Shuttle" and "Flexiplus".

At the date of this Universal Registration Document, the Group also owns 411 domain names, including "eurotunnel.com" and "getlinkgroup.com".

Patents

The Group has also filed patents relating to specific aspects of its business.

At the date of this Universal Registration Document, three systems, including that relating to the SAFE stations, are the subject of patents in force filed by FM. Two other patents are currently being filed, one for sleeper block measuring equipment and the other concerning boarding cards.

Licences

The Group has no licence granted by a third party allowing it to use third party industrial property rights. It has granted a non-exclusive licence to use the "auto convergent maintenance system for complex high-volume equipment" patent. Intra-group brand licences have been put in place with the subsidiaries concerned.

RESULTS AND OUTLOOK

2019 FINANCIAL RESULTS

- **€560M**
  EBITDA
  (-2%)
- **€409M**
  EBIT
  (+3%)
- **€159M**
  Net consolidated result
  (+20%)
- **€241M**
  Free cash flow
  generated in 2019
- **€525M**
  Cash position
  as at 31 December 2019

€1.085Bn
Revenue
(+€1M)

€9Bn
Market capitalisation
as at 25 February 2020

+14%
increase in **dividend**,
to **€0.41** per share in 2019
€225M total dividend amount
for 2019 to be paid in 2020

2019 EXCHANGE RATES

Comparisons with 2018 are made at the 2019 income statement exchange rate of £1 = €1.14.

2 RESULTS AND OUTLOOK

2.1	**ANALYSIS OF CONSOLIDATED FINANCIAL RESULTS**	**31**
2.1.1	Analysis of consolidated income statement	31
2.1.2	Analysis of consolidated statement of financial position	36
2.1.3	Analysis of consolidated cash flows	37
2.1.4	Debt cover ratios	38
2.2	**ANNUAL FINANCIAL STATEMENTS**	**40**
2.2.1	Getlink SE's consolidated financial statements for the financial year ending 31 December 2019 and the statutory auditors' report thereon	40
2.2.2	Getlink SE parent company financial statements for the financial year ending 31 December 2019 and the statutory auditors' report thereon	91
2.3	**OUTLOOK, OBJECTIVES, RECENT EVENTS AND EVENTS AFTER THE REPORTING PERIOD**	**113**
2.4	**OTHER FINANCIAL INFORMATION**	**116**
2.4.1	Table of Getlink SE parent company results for the last five financial years	116
2.4.2	Delay in payments from customers and to suppliers of Getlink SE	116
2.4.3	Payment schedule for Group trade payables	117
2.4.4	Flows between the companies of the Group	117
2.4.5	Related party transactions	117
2.4.6	Other elements	118

2.1 ANALYSIS OF CONSOLIDATED FINANCIAL RESULTS

The following information relating to Getlink SE's financial situation and consolidated results must be read in conjunction with the consolidated financial statements set out in section 2.2.1 of this Universal Registration Document.

The main factors with an impact on revenue are described in chapters 1 and 3 of this Universal Registration Document.

Accounting standards applied[21] and presentation of the consolidated results

Pursuant to EC Regulation 297/2008 of 11 March 2008 on the application of international accounting standards, the consolidated financial statements of Getlink SE for the financial year ended 31 December 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2019.

2.1.1 ANALYSIS OF CONSOLIDATED INCOME STATEMENT

In order to enable a better comparison between the two years, the 2018 consolidated income statement presented in this section has been recalculated at the exchange rate used for the 2019 income statement of £1=€1.140.

Summary

In 2019, the Group's consolidated revenues amounted to €1,085 million, an increase of €1 million compared to 2018 in a difficult context. The Group estimates that the strike by French customs officials in the spring and the strike action against the pension reform in France in December had a negative impact on the Group's revenue of approximately €18 million in 2019. Operating costs, which include non-recurring costs related in particular to the preparation of Brexit, amounted to €525 million, an increase of €13 million (3%) compared to 2018. EBITDA decreased by €12 million (2%) to €560 million and the trading profit decreased by €20 million to €378 million. After accounting for an income of €38 million (£33 million) arising from the settlement agreement between the UK Secretary of State for Transport and Eurotunnel (see note A.3 to the consolidated financial statements in section 2.2.1 to this Universal Registration Document), the operating profit for 2019 was up by €13 million compared to 2018, to €409 million. Net finance costs decreased by €14 million compared to the previous year mainly due to the favourable impact of lower British and French inflation rates on the cost of the index-linked tranche of the debt. The pre-tax profit for the Group's continuing operations improved by €25 million to €156 million for the 2019 financial year (including €38 million for the settlement agreement referred to above).

After taking into account a tax income of €2 million, the net result for the continuing activities of the Group was a profit of €158 million, up €26 million. The Group's net consolidated result for 2019 was a profit €159 million, an improvement of €27 million.

[21] *The Group has applied IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" to its maritime segment since the cessation of MyFerryLink's operations in the second half of 2015. Accordingly, the net result of this segment for the current and previous financial years is presented as a single line in the income statement called "Net profit from discontinued operations". More information is given in note C.2 to the consolidated financial statements in section 2.2.1 to this Universal Registration Document.*

€ million Improvement/(deterioration) of result	2019	2018 restated*	Change €M	 %	2018 published
Exchange rate €/£	1.140	1.140			1.128
Eurotunnel	958	961	(3)	-0%	956
Getlink	1	2	(1)	-50%	2
Europorte	126	121	5	+4%	121
Revenue	**1,085**	**1,084**	**1**	**+0%**	**1,079**
Eurotunnel	(406)	(399)	(7)	-2%	(397)
Getlink	(17)	(16)	(1)	-6%	(16)
Europorte	(102)	(96)	(6)	-6%	(96)
ElecLink	–	(1)	1	+100%	(1)
Operating costs	**(525)**	**(512)**	**(13)**	**-3%**	**(510)**
Operating margin (EBITDA)	**560**	**572**	**(12)**	**-2%**	**569**
Depreciation	(182)	(174)	(8)	-5%	(174)
Trading profit	**378**	**398**	**(20)**	**-5%**	**395**
Other net operating income/(charges)	31	(2)	33		(2)
Operating profit (EBIT)	**409**	**396**	**13**	**+3%**	**393**
Net finance costs	(257)	(271)	14	+5%	(269)
Other net financial income/(charges)	4	6	(2)		5
Pre-tax profit from continuing operations	**156**	**131**	**25**	**+19%**	**129**
Income tax income/(expense)	2	1	1		1
Net profit from continuing operations	**158**	**132**	**26**	**+20%**	**130**
Net profit from discontinued operations	1	–	1		-
Net consolidated profit for the year	**159**	**132**	**27**	**+20%**	**130**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

The evolution of the pre-tax result from continuing operations by segment compared to 2018 is presented below:

€ million	Eurotunnel	**Getlink	Europorte	ElecLink	Total Group
Pre-tax result from continuing activities: 2018 restated *	**133**	**-**	**1**	**(3)**	**131**
Improvement/(deterioration) of result:					
Revenue	-3	-1	+5	-	+1
Operating expenses	-7	-1	-6	+1	-13
EBITDA	**-10**	**-2**	**-1**	**+1**	**-12**
Depreciation	-6	-1	-	-1	-8
Trading result	**-16**	**-3**	**-1**	**-**	**-20**
Other net operating income/charges	+33	-	-	-	+33
Operating result (EBIT)	**+17**	**-3**	**-1**	**-**	**+13**
Net financial costs and other	-10	+29	+1	-8	+12
Total changes	**+7**	**+26**	**-**	**-8**	**+25**
Pre-tax result from continuing operations for 2019	**140**	**26**	**1**	**(11)**	**156**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

** *Included in the Getlink segment's finance line is €27 million of unrealised intra-Group exchange gains in 2019 compared to €2 million in 2018.*

a) Eurotunnel segment

The Group's core business is the Eurotunnel segment which operates and directly markets its Shuttle Services and also provides access, on payment of a toll, for the circulation of the Railway Companies' High-Speed Passenger Trains (Eurostar) and Rail Freight Services through its Railway Network.

€ million Improvement/(deterioration) of result	2019	* 2018	Change M€	Change %
Exchange rate €/£	1.140	1.140		
Shuttle Services	630	640	(10)	-2%
Railway Network	315	307	8	+3%
Other revenue	13	14	(1)	-7%
Revenue	**958**	**961**	**(3)**	**-0%**
External operating costs	(218)	(219)	1	+0%
Employee benefits expense	(188)	(180)	(8)	-4%
Operating costs	**(406)**	**(399)**	**(7)**	**-2%**
Operating margin (EBITDA)	**552**	**562**	**(10)**	**-2%**
EBITDA/revenue	*58%*	*59%*	*-1pt*	

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

i) Eurotunnel revenue

Revenue generated by this segment, which in 2019 represented 88% of the Group's total revenue, is down by 0.3% compared to 2018, to €958 million. Labour unrest in France in 2019 has had a significant negative impact on Eurotunnel's business, with an estimated loss of revenue of around €14 million, of which €10 million is explained by the national work-to-rule movement by French customs officials during the spring which impacted all Eurotunnel traffic (trucks, cars and Eurostar), and €4 million in revenue from Eurostar arising from the impact of national strikes in France from 5 December 2019.

Shuttle Services

Traffic (number of vehicles)	2019	2018	Change
Truck Shuttle	1,595,241	1,693,462	-6%
Passenger Shuttle:			
Cars *	2,601,791	2,660,414	-2%
Coaches	50,268	51,300	-2%

* *Includes motorcycles, vehicles with trailers, caravans and motor homes.*

Despite the decline in cross-Channel markets due to the uncertainty surrounding the Brexit date and the impact of this decline on traffic volumes, Shuttle Services' revenue of €630 million for 2019 was only down by 1.6% compared to the previous year due to growth in yields which benefit from the strategy of optimising the profitability of its Shuttle business.

Truck Shuttle

In a year marked by the uncertainties surrounding Brexit, the French customs officials strike and the downturn in the automobile market, the Short Straits truck market contracted by approximately 4.9% in 2019 and the Truck Shuttle Service's share of the Short Straits market was slightly down, to 40.4%. The number of trucks transported by Eurotunnel decreased by 6% to 1,595,241.

Passenger Shuttle

In spite of the Short Straits car market being impacted by the uncertainties surrounding Brexit and in decline by 6.2% in 2019, Eurotunnel's car traffic was down by only 2% as a result of a car market share up by 2.3 points to 56.9% compared to the previous year. The Passenger Shuttle's car activity carried 2,601,791 vehicles.

The Short Straits coach market contracted by approximately 4.0% in 2019 but the Passenger Shuttle's coach market share increased compared to the previous year, to 40.5%.

Railway Network

Traffic	2019	2018	Change
High-Speed Passenger Trains (Eurostar)			
Passengers *	11,046,608	10,971,650	1%
Rail Freight Services **:			
Number of tonnes	1,390,303	1,301,460	7%
Number of trains	2,144	2,077	3%

* *Only passengers travelling through the Channel Tunnel are included in this table, excluding those who travel between continental stations (such as Brussels-Calais, Brussels-Lille, Brussels-Amsterdam, etc).*

** *Rail Freight Services by train operators (DB Cargo for BRB, SNCF and its subsidiaries, GB Railfreight, Rail Operations Group, RailAdventure and Europorte) using the Tunnel.*

The Group earned revenues of €315 million in 2019 from the use of its Railway Network by Eurostar's High-Speed Passenger Trains and by Rail Freight Services, an increase of 3% compared to 2018.

The 11,046,608 Eurostar passengers using the Tunnel in 2019 represent an all-time record. The growth of 0.7% compared with 2018 is driven by the continued success of the London-Amsterdam service launched in April 2018 with the addition of a third frequency in June 2019, despite the significant impact on Eurostar Paris-London traffic of the work-to-rule by French customs officials in March, April and May and the strikes in France in December 2019.

After a first half of 2019 with a 10% increase in traffic, cross-Channel rail freight was heavily impacted by strikes in France in December, but nevertheless recorded a 3.2% increase in the number of cross-Channel rail freight trains in 2019 compared with the previous year.

ii) Eurotunnel operating costs

In 2019, the Eurotunnel segment's operating charges increased by 2% (€7 million) compared with 2018 to €406 million.

The impact of inflation, both in France and the United Kingdom, amounted to €5.5 million, of which €1 million related to the increase in electricity tariffs over the period. This increase is partly offset by the reduction in the capacity plan, made possible by the relative stability of traffic and the improvement in load factors, for an amount of €2 million.

Continued efforts have been made to improve the quality of service provided to customers which represented additional expenditure of €8 million, split between customer relations for €1 million, digital initiatives for €1.5 million and improvement of service reliability for €5.5 million. The 2019 financial year was also marked by the intensification of preparations for the United Kingdom's exit from the European Union as well as an increase in personnel costs related to free share incentive plans.

The Group implemented a series of cost reduction and productivity initiatives aimed at mitigating the financial impact of external factors (Brexit, the French customs officials strike, strike action against pension reforms in France) which amounted to €10 million.

b) Getlink segment

The Getlink segment includes the activities of the Group's holding company, Getlink SE, as well as its direct subsidiaries including the railway training centre CIFFCO.

For the 2019 financial year, the Getlink segment's operating charges amounted to €17 million.

c) Europorte segment

The Europorte segment covers the entire rail freight transport logistics chain in France and includes notably Europorte France and Socorail.

€ million			Change	
Improvement/(deterioration) of result	2019	2018	€M	%
Revenue	**126**	**121**	**5**	**+4%**
External operating costs	(51)	(48)	(3)	-6%
Employee benefits expense	(51)	(48)	(3)	-6%
Operating costs	**(102)**	**(96)**	**(6)**	**-6%**
Operating margin (EBITDA)	**24**	**25**	**(1)**	**-4%**

In 2019, Europorte's revenues increased by 4% despite a difficult end to the year with activity very strongly impacted by the SNCF strike action which is estimated to have lost the business an estimated €4 million in revenues. This increase is the result of growth in cement and petrochemicals transportation activities and the winning of new logistics contracts for industrial sites. Impacted by the strike in December, EBITDA decreased by €1 million compared to 2018.

d) ElecLink segment

ElecLink's activity is the construction and operation of a 1GW electricity interconnector between the UK and France. Construction works began in the second half of 2016 and the interconnector is expected to be in commercial operation in mid-2021.

Costs directly attributable to the project are capitalised as assets under construction. Investment on the project during 2019 amounted to €136 million.

e) Operating margin (EBITDA) and trading profit

EBITDA by business segment evolved as follows:

€ million	Eurotunnel	Getlink	Europorte	ElecLink	Total Group
EBITDA 2018 restated *	562	(14)	25	(1)	**572**
Improvement/(deterioration):					
Revenue	(3)	(1)	5	–	**1**
Operating costs	(7)	(1)	(6)	1	**(13)**
Total changes	**(10)**	**(2)**	**(1)**	**1**	**(12)**
EBITDA 2019	**552**	**(16)**	**24**	**–**	**560**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

At €560 million in 2019, the Group's operating margin decreased by €12 million (-2%) compared to 2018, impacted by social movements in 2019 as described above.

Depreciation charges increased by €8 million compared to 2018 to €182 million as a result of the capital investment projects completed in 2018 and 2019.

The trading profit in 2019 decreased by €20 million (5%) compared to 2018, to €378 million.

f) Operating profit (EBIT)

At 31 December 2019, net other operating income included €38 million (£33 million) in respect of the settlement agreement between the UK Secretary of State for Transport and Eurotunnel (see note A.3 to the Group's financial statements in section 2.2.1 of this Universal Registration Document).

After taking into account this one-off income, the operating profit for the 2019 financial year was up by €13 million (3%) compared to 2018, to €409 million.

g) Net financial charges

At €257 million for 2019, net finance costs were down by €14 million compared to 2018 at a constant exchange rate. Lower inflation rates in the UK and France had a favourable effect on the cost of the indexed tranche of the debt (€20 million) and the capitalisation of interest related to the financing of ElecLink increased by €7 million. These reductions were partially offset by the full-year impact of the increase in interest expense resulting from the issuance of the Senior Secured Notes in October 2018 (€12 million).

h) Net result from continuing operations

The Group's pre-tax result for continuing operations for the 2019 financial year was a profit of €156 million, an improvement of €25 million compared to 2018 at a constant exchange rate.

In 2019, net income tax was a credit of €2 million (2018: credit of €1 million).

The Group's post-tax result for continuing operations for the 2019 financial year was a profit of €158 million, an improvement of €26 million at a constant exchange rate, including the non-recurring income of €38 million.

i) Net result from discontinued operations

Information on discontinued activities is set out in note C.2 to the Group's consolidated financial statements in section 2.2.1 of this Universal Registration Document.

j) Net consolidated result

The net consolidated result for the Group for the 2019 financial year was a profit of €159 million compared to a profit of €132 million (restated at an equivalent exchange rate) for 2018.

2.1.2 ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ million	31 December 2019	31 December 2018
Exchange rate €/£	1.175	1.118
Fixed assets	6,734	6,657
Other non-current assets	613	569
Total non-current assets	**7,347**	**7,226**
Trade and related receivables	77	97
Other current assets	83	65
Cash and cash equivalents	525	607
Total current assets	**685**	**769**
Total assets	**8,032**	**7,995**
Total equity	1,639	2,006
Total financial liabilities	4,998	4,907
Interest rate derivatives	1,055	748
Other liabilities	340	334
Total equity and liabilities	**8,032**	**7,995**

The table above summarises the Group's consolidated statement of financial position as at 31 December 2019 and 31 December 2018. The main elements and changes between the two dates, presented at the exchange rate for each period, are as follows:

- At 31 December 2019, fixed assets include property, plant and equipment and intangible assets amounting to €5,877 million for the Eurotunnel segment, €747 million for the ElecLink segment and €101 million for the Europorte segment. The increase between 31 December 2018 and 31 December 2019 results mainly from investment in the ElecLink project (€136 million in 2019).
- Other non-current assets at 31 December 2019 include the G2 inflation-linked notes held by the Group amounting to €348 million and a deferred tax asset of €205 million.
- At 31 December 2019, cash and cash equivalents amounted to €525 million after payment of the €193 million dividend, net capital expenditure of €246 million, €255 million in debt service costs (net interest, repayments and fees).
- Equity decreased by €367 million as a result of the impact of the dividend payment (€193 million), the recycling to the income statement of the fair value and the change in the mark-to-market valuation of the partially terminated hedging contracts (€264 million) and the impact of the evolution of the cumulative translation reserve (€82 million). These decreases have been partially offset by the impact of the net profit for the year (€159 million), changes in share-based payments (€11 million) and the purchase of treasury shares (€6 million).
- Financial liabilities have increased by €91 million compared to 31 December 2018 as a result of the impact of the increase in the exchange rate on the sterling-denominated debt (€114 million) and the increase of €38 million arising from of the evolution of inflation indexation and costs. These increases have been partially offset by the effect of the €60 million of contractual debt repayments and by the €4 million decrease in lease liabilities under IFRS 16.
- Interest rate derivatives increased by €307 million as a result of the impact of the decrease in long-term rates on the market value of the hedging instruments that were partially terminated in 2017.
- Other liabilities include €242 million of trade and other payables and provisions, as well as retirement liabilities of €98 million.

2.1.3 ANALYSIS OF CONSOLIDATED CASH FLOWS

a) Consolidated cash flows

€ million	2019	2018
Exchange rate €/£	1.175	1.118
Continuing activities:		
Net cash inflow from trading	589	588
Other operating cash flows and taxation	8	(14)
Net cash inflow from operating activities	**597**	**574**
Net cash outflow from investing activities	(246)	(269)
Net cash outflow from financing activities	(442)	(422)
Net cash inflow from financing operations	–	115
Decrease in cash in year from continuing activities	**(91)**	**(2)**
Discontinued activities *:		
Increase/(decrease) in cash in year from discontinued activities	1	(1)
Total decrease in cash in year	**(90)**	**(3)**

* *Maritime segment, see note C.2 to the consolidated accounts at 31 December 2019.*

At €589 million in 2019, net cash generated from trading by continuing operations improved by €1 million compared to 2018:

- a reduction of €2 million in the Eurotunnel and Getlink segments to €561 million (2018: €563 million),
- an increase of €2 million in Europorte's cash flows to €29 million (2018: €27 million), and
- ElecLink's operating expenditure remained stable.

The positive variance of €22 million in "Other operating cash and taxation" between the two years is principally due to a change in tax payments (net receipts of €4 million in 2019 compared to net payments of €10 million in 2018) and to the receipt of £11 million (€13 million) in respect of the settlement agreement between the UK Secretary of State for Transport and Eurotunnel (see note A.3 to the consolidated financial statements at 31 December 2019).

At €246 million in 2019, net cash payments for investing activities are down by €23 million compared to 2018. In 2019, these comprised mainly:

- €104 million relating to Eurotunnel and Getlink (2018: €74 million). The main expenditure was €25 million on preparations for Brexit (such as the Pit-Stops to regroup the different security controls and inspections, the SIVEP zone for customs, veterinary and phytosanitary controls and e-gates with facial recognition for coach passengers), €26 million on rolling stock (including €15 million on the start of the mid-life maintenance work on the Passenger Shuttles), €27 million on infrastructure (including €18 million on catenary and power supply) and €16 million on computing and digital projects, and
- payments of €141 million in relation to the ElecLink project (€194 million in 2018).

Net financing payments in 2019 amounted to €442 million compared to €422 million in 2018. During 2019, cash flow from financing comprised:

- capital transactions with an outflow of €187 million consisting of:
  - €193 million paid in dividends (2018: €160 million), and
  - €3 million net receipts in respect of the liquidity contract (€1 million paid in 2018) and receipts of €3 million in respect of the exercise of stock options (€3 million in 2018);
- net debt service costs of €255 million:
  - €189 million of interest paid on the Term Loan and on other borrowings (€174 million in 2018), the increase of €15 million being mainly due to interest paid on the Senior Secured Notes issued by Getlink SE in October 2018 (€20 million in 2019 and €5 million in 2018),
  - €52 million paid in respect of the scheduled repayment of the Term Loan and other borrowings (€63 million in 2018),
  - €5 million received in respect of the contractual repayment of the G2 notes held by the Group (€7 million in 2018),
  - €21 million paid in relation to leasing contracts (€19 million in 2018),
  - €7 million paid in relation to the operation to simplify the debt completed in 2015 (€7 million in 2018), and
  - net receipts of €10 million from interest received on investments and on the G2 notes held by the Group (2018: €8 million in 2018).

b) Free Cash Flow

The Group's Free Cash Flow represents the cash generated by its current activities in the normal course of its business. It can be used to distribute dividends to shareholders and to make strategic investments in the Group's development in order to add value for all stakeholders. The Group defines it as net cash flow from its current activities excluding extraordinary or exceptional cash movements in respect of the equity-related cash flows, financial transactions such as the raising of new debt to help finance new activities, debt refinancing, renegotiation or early repayment as well as investment in new activities or the divestment of activities and related assets.

€ million	**2019**	**2018**
Exchange rate €/£	1.175	1.118
Net cash inflow from operating activities	598	573
Net cash outflow from investing activities	(105)	(75)
Net debt service costs (interest paid/received, fees and repayments)	(255)	(249)
Other receipts	3	3
Free Cash Flow	**241**	**252**
Dividend paid	(193)	(160)
Purchase of treasury shares and net movement on liquidity contract	3	(16)
ElecLink: project expenditure	(141)	(194)
Refinancing operations	–	115
Use of Free Cash Flow	**(331)**	**(255)**
Decrease in cash in the year	**(90)**	**(3)**

At €241 million in 2019, Free Cash Flow has decreased by €11 million compared to 2018 for the reasons out in section a) above.

2.1.4 DEBT COVER RATIOS

a) Getlink ratios

EBITDA to finance cost ratio

The ratio of the Group's consolidated EBITDA to its finance costs (excluding interest received and indexation) is 2.4 at 31 December 2019 (2018 restated: 2.5).

€ million	**2019**	**2018 * restated**
Exchange rate €/£	1.140	1.140
EBITDA	**560**	**572**
Finance cost	259	273
Indexation	(26)	(46)
Finance cost excluding indexation	**233**	**227**
EBITDA / finance cost excluding indexation	**2.4**	**2.5**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

Net debt to EBITDA ratio

The Group defines its net debt to EBITDA ratio as the ratio between financial liabilities less the indexed nominal value of the G2 notes held by the Group and cash and cash equivalents, and consolidated EBITDA. At 31 December 2019, the ratio was 7.6 compared to 7.2 at 31 December 2018.

€ million	31 December 2019	31 December 2018
Non-current financial liabilities	4,853	4,759
Current financial liabilities	61	55
Other non-current liabilities	50	57
Other current liabilities	34	36
Total financial liabilities	**4,998**	**4,907**
Inflation-indexed notes (G2)	(232)	(222)
Cash and cash equivalents	(525)	(607)
Net debt	**4,241**	**4,078**
EBITDA	560	569
Net debt / EBITDA	**7.6**	**7.2**
Statement of financial position exchange rate €/£	*1.175*	*1.118*
Income statement exchange rate €/£	*1.140*	*1.128*

b) Eurotunnel ratios

Financial covenants in respect of the Term Loan

The debt service cover ratio and the synthetic service cover ratio on the Term Loan apply to the Eurotunnel Holding SAS sub-group. These ratios are described in note G.1.2.b) to the consolidated financial statements contained in section 2.2.1 of this Universal Registration Document.

At 31 December 2019, Eurotunnel has respected its financial covenants under the Term Loan with a debt service cover ratio and a synthetic service cover ratio of approximately 2.

2.2 ANNUAL FINANCIAL STATEMENTS

2.2.1 GETLINK SE'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019 AND THE STATUTORY AUDITORS' REPORT THEREON

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Statutory auditors' report on the consolidated financial statements for the year ended 31 December 2019 41
Consolidated income statement 44
Consolidated statement of other comprehensive income 44
Consolidated statement of financial position 45
Consolidated statement of changes in equity 46
Consolidated statement of cash flows 47
Notes to the financial statements 48

A. Important events 48
- *A.1 Brexit: the United Kingdom's exit from the European Union 48*
- *A.2 ElecLink project 48*
- *A.3 Settlement agreement with the British government 48*

B. Principles of preparation, main accounting policies and methods 49
- *B.1 Statement of compliance and Group accounting standards 49*
- *B.2 Changes in accounting standards as at 31 December 2019 49*
- *B.3 Basis of preparation 49*

C. Scope of consolidation 50
- *C.1 List of consolidated companies 51*
- *C.2 Changes in the scope of consolidation 52*

D. Operating data 53
- *D.1 Segment information 53*
- *D.2 Revenue 55*
- *D.3 Operating costs 55*
- *D.4 EBITDA/operating margin 55*
- *D.5 Other operating income and (expenses) 56*
- *D.6 Trade and other receivables 56*
- *D.7 Trade and other payables 57*
- *D.8 Provisions 57*

E. Personnel expenses and benefits 57
- *E.1 Employee numbers and employee benefits expense 57*
- *E.2 Remuneration of Board Directors and senior executives 58*
- *E.3 Related parties: remuneration of Board Directors and senior executives 58*
- *E.4 Retirement benefits 58*
- *E.5 Share-based payments 61*

F. Intangible and tangible property, plant and equipment 65
- *F.1 Goodwill and intangible assets 65*
- *F.2 Tangible property, plant and equipment 66*
- *F.3 Impairment of property, plant and equipment 69*

G. Financing and financial instruments 70
- *G.1 Description of the loans 72*
- *G.2 Off-balance sheet commitments relating to financing 77*
- *G.3 Financial liabilities 77*
- *G.4 Other financial liabilities 77*
- *G.5 Net finance costs 78*
- *G.6 Other financial income and (charges) 78*
- *G.7 Other financial assets 78*
- *G.8 Cash and cash equivalents 79*
- *G.9 Matrix of class of financial instrument and recognition categories and fair value 79*
- *G.10 Financial risks 81*

H. Share capital and earnings per share 84
- *H.1 Share capital 84*
- *H.2 Earnings per share 86*
- *H.3 Detail of consolidated reserves by origin 86*

I. Income tax expense 87
- *I.1 Effect on the income statement 87*
- *I.2 Effect on the statement of financial position 88*

J. Statutory auditors' fees for the 2019 financial year 89

K. Events after the reporting period 90

Statutory auditors' report on the consolidated financial statements for the year ended 31 December 2019

This is a translation into English of the statutory auditors' report on the financial statements of the company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Getlink SE for the year ended 31 December 2019.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (Code de déontologie) for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recoverable value of ElecLink fixed assets

Risk identified

The Group has undertaken a project to build and operate a 1 GW electrical interconnector between France and the United Kingdom. Work began in 2016 and the interconnector is now scheduled to be operational in mid-2021. The costs directly related to the project are recorded as assets under construction.

As indicated in note A.2 to the consolidated financial statements, as of 31 December 2019, the book value of fixed assets (ElecLink CGU) amounted to €726 million, including €605 million of tangible assets relating to construction works and €121 million of intangible assets relating to the operating license and the exemption allowing ElecLink to use the proceeds from the sale of interconnector capacities (excluding goodwill and deferred tax liabilities for an equivalent amount of €20 million).

The Group carried out an impairment test on ElecLink assets at 31 December 2019, in accordance with the methods described in note F.3.2 to the consolidated financial statements.

The determination of the recoverable value of the ElecLink assets represents a key audit matter, considering:

- their materiality in the Group's accounts;
- uncertainties relating to the date of their entry into service and to the granting of an extension of the deadline for the exemption;
- management estimates, based on assumptions that are uncertain by nature and require judgment.

Our answer

We have assessed the methods used to implement the impairment test carried out by management and, in particular, we have:

- corroborated the amount of the assets tested with the accounting values of these assets at the end of 2019;
- assessed the reasonableness of the income forecasts, based on the current terms of the exemption, on the basis of the reports of the independent experts;
- assessed the probable nature of the date of entry into service, on the basis of the official schedule for a decision by the Intergovernmental Commission (IGC) on the authorisation to install the cable and of entry into service of the interconnector, and of management estimates relating in particular to the time needed to carry out the work from the date on which authorisation is obtained;
- assessed the likelihood of obtaining an extension of the deadline for the exemption in its current terms, taking into account the planned date of entry into service, on the basis of the opinion of the company's external legal counsel;
- assessed, with the support of our experts, the reasonableness of the assumptions used to determine the discount rate;
- verified the calculations related to the determination of the value in use at the end of 2019 as well as the sensitivity analyses carried out by the Group, taking into account various scenarios;
- assessed the appropriateness of the information provided in notes A.2 and F.3.2 to the consolidated financial statements at 31 December 2019.

Recoverable value of fixed assets Concession

Risk identified

The tangible Concession assets amount to €5,873 million as of 31 December 2019, compared to a balance sheet total of €8,032 million.

The Group carried out an impairment test on concession assets at 31 December 2019, in accordance with the methods described in note F.3.1 to the consolidated financial statements.

The determination of the recoverable value of these assets and of any impairment losses to be recognised is a key point of the audit given the significant importance of these assets in the Group's accounts and the high degree of estimation and judgment required from management, in a context of uncertainty reinforced by the implementation of Brexit, on the assumptions of future operating performance and traffic, exchange rates, long-term growth rates and discount rates as well as the sensitivity of the valuation to these assumptions.

Our answer

We have assessed the methods used to implement the impairment test carried out by management and, in particular, we have:

- assessed the reasonableness of the main assumptions used, in particular the evolution of operating performance and future traffic based on the Group's latest business plan, long-term growth rates and the €/£ exchange rate;
- assessed, with the support of our experts, the reasonableness of the assumptions used to determine the discount rate;
- verified the calculations related to the determination of the value in use at the end of 2019;
- reviewed the sensitivity analyses carried out by the Group, taking into account various scenarios;
- assessed the appropriateness of the information provided in note F.3.1 to the consolidated financial statements at 31 December 2019.

Accounting treatment of financial debt

Risk identified

Financial debts, including notably the Term Loan and the Senior Secured Notes issued in the form of Green Bonds and the related interest rate derivatives, in the respective amounts of €4,963 million and €1,055 million, represent the most significant elements of the Group's liabilities as of 31 December 2019.

As indicated in note G.1 to the consolidated financial statements, the Group has carried out various financial transactions in recent years as part of the process of reorganising its debt:

- Division of tranches and renegotiation of contract terms,
- Partial refinancing and partial termination of hedges,
- Senior Secured Notes issue (Green Bonds),
- Acquisition of the G2 inflation-linked bonds issued by Channel Link Enterprises Finance Ltd (CLEF), recorded in the amount of €348 million on the assets of the Group's balance sheet at 31 December 2019.

Considering the characteristics of the Group's financial debt and the complexity of the related financial transactions, there is a risk of error in the accounting treatment which we considered as a key audit matter.

Our answer

We have:

- verified the correct accounting of the Group's contractual obligations;
- verified the correct application of IFRS 9 concerning effective interest rates;
- verified the fair value calculations of the financial debt and derivative instruments;
- checked the hedging documentation for derivative instruments and the associated effectiveness calculations;
- assessed the appropriateness of the information disclosed in note G to the Group's consolidated financial statements for the year ended 31 December 2019.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce), is included in the information relating to the Group provided in the management report, being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have not verified the fair presentation and the consistency with the consolidated financial statements of the information provided in this declaration and this information must be reported by an independent third party.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Getlink SE (formerly Groupe Eurotunnel SE) by the annual general meeting held on 9 May 2007.

As at 31 December 2019, audit firms KPMG Audit and Mazars were in the 13th year of total uninterrupted engagement.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Objectives and audit approach

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

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Statutory auditors, Paris La Défense, 26 February 2020

KPMG Audit *A division of KPMG S.A.*	Mazars
French original signed by	
Philippe Cherqui *Partner*	Francisco Sanchez *Partner*

Consolidated income statement

€'000	Note	Full year 2019	Full year 2018
Revenue	D.2	1,085,277	1,079,449
Operating expenses	D.3	(272,712)	(270,198)
Employee benefits expense	E	(252,323)	(240,146)
Operating margin (EBITDA)	D.4	**560,242**	**569,105**
Depreciation	F	(181,739)	(173,944)
Trading profit		**378,503**	**395,161**
Other operating income	D.5	38,082	1,638
Other operating expenses	D.5	(7,546)	(4,092)
Operating profit		**409,039**	**392,707**
Finance income	G.5	2,640	1,733
Finance costs	G.5	(259,503)	(270,991)
Net finance costs		(256,863)	(269,258)
Other financial income	G.6	45,206	36,046
Other financial charges	G.6	(41,060)	(30,175)
Pre-tax profit from continuing operations		**156,322**	**129,320**
Income tax income/(expense) of continuing operations	I.1.2	2,015	1,066
Net profit from continuing operations		**158,337**	**130,386**
Net profit/(loss) from discontinued operations	C.2	603	(66)
Net profit for the year		**158,940**	**130,320**
Net profit attributable to:			
Group share		158,940	130,320
Earnings per share (€):	H.2		
Basic earnings per share: Group share		0.30	0.24
Diluted earnings per share: Group share		0.29	0.24
Basic earnings per share from continuing operations		0.30	0.24
Diluted earnings per share from continuing operations		0.29	0.24

Consolidated statement of other comprehensive income

€'000	Note	Full year 2019	Full year 2018
Items that will never be reclassified to the income statement:			
Actuarial gains and losses on employee benefits	E.4	(3,835)	(10,225)
Related tax	I	602	222
Items that are or may be reclassified to the income statement:			
Foreign exchange translation differences		(82,279)	12,892
Hedging contracts: movement in market value and recycling of the fair value on the partially terminated contracts	G.1.2.c	(251,741)	25,975
Related tax	I	(12,724)	(15,140)
Net (expense)/income recognised directly in equity		**(349,977)**	**13,724**
Profit for the year – Group share		158,940	130,320
Total comprehensive (expense)/income for the year		**(191,037)**	**144,044**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of financial position

€'000			Note	31 December 2019	31 December 2018
ASSETS					
Goodwill ElecLink			F.1	20,392	20,392
Intangible assets ElecLink			F.1	119,955	119,955
Right-of-use assets (IFRS 16)			F.1	35,241	38,538
Total intangible assets				**175,588**	**178,885**
Concession property, plant and equipment			F.2.1	5,872,657	5,928,076
Other property, plant and equipment			F.2.2	685,864	550,258
	Of which	*ElecLink*	*F.2.2*	*605,080*	*469,109*
		Europorte	*F.2.2*	*73,833*	*77,132*
Total property, plant and equipment				**6,558,521**	**6,478,334**
Deferred tax asset			I.2	204,638	210,358
Other financial assets			G.7	407,765	358,473
Total non-current assets				**7,346,512**	**7,226,050**
Inventories				2,521	2,291
Trade receivables			D.6.1	77,148	97,489
Other receivables			D.6.2	80,830	62,474
Other financial assets			G.7	210	199
Cash and cash equivalents			G.8	524,507	606,532
Total current assets				**685,216**	**768,985**
Total assets				**8,031,728**	**7,995,035**
EQUITY AND LIABILITIES					
Issued share capital			H.1.2	220,000	220,000
Share premium account				1,711,796	1,711,796
Other reserves			H.3	(675,092)	(361,117)
Profit for the year				158,940	130,320
Cumulative translation reserve				223,003	305,282
Total equity				**1,638,647**	**2,006,281**
Retirement benefit obligations			E.4	98,331	87,003
Financial liabilities			G.3	4,852,737	4,758,652
Other financial liabilities			G.4	50,353	57,206
Interest rate derivatives			G.1.2.c	1,054,999	748,398
Total non-current liabilities				**6,056,420**	**5,651,259**
Provisions			D.8	14,728	15,712
Financial liabilities			G.3	60,513	55,094
Other financial liabilities			G.4	34,324	35,874
Trade payables			D.7	191,114	191,368
Other payables			D.7	35,982	39,447
Total current liabilities				**336,661**	**337,495**
Total equity and liabilities				**8,031,728**	**7,995,035**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

€'000	Issued share capital	Share premium account	* Consolidated reserves	Result	Cumulative translation reserve	Total
1 January 2018	220,000	1,711,796	(308,559)	112,932	292,390	**2,028,559**
Transfer to consolidated reserves	–	–	112,932	(112,932)	–	**–**
Payment of dividend	–	–	(160,385)	–	–	**(160,385)**
Share based payments	–	–	7,000	–	–	**7,000**
Acquisition/sale of treasury shares	–	–	(12,937)	–	–	**(12,937)**
Result for the year	–	–	–	130,320	–	**130,320**
Profit / (loss) recorded directly in other comprehensive income:						
▪ Actuarial gains and losses on employee benefits	–	–	(10,225)	–	–	**(10,225)**
▪ Related tax	–	–	222	–	–	**222**
▪ Movement in fair value of hedging contracts	–	–	(30,747)	–	–	**(30,747)**
▪ Recycling of the fair value on the partially terminated hedging contracts	–	–	56,722	–	–	**56,722**
▪ Related tax	–	–	(15,140)	–	–	**(15,140)**
▪ Foreign exchange translation differences	–	–	–	–	12,892	**12,892**
At 31 December 2018	**220,000**	**1,711,796**	**(361,117)**	**130,320**	**305,282**	**2,006,281**
Transfer to consolidated reserves	–	–	130,320	(130,320)	–	**–**
Payment of dividend (note H.1.4)	–	–	(193,014)	–	–	**(193,014)**
Share based payments **	–	–	10,676	–	–	**10,676**
Acquisition/sale of treasury shares	–	–	5,741	–	–	**5,741**
Result for the year	–	–	–	158,940	–	**158,940**
Profit / (loss) recorded directly in other comprehensive income:						
▪ Actuarial gains and losses on employee benefits	–	–	(3,835)	–	–	**(3,835)**
▪ Related tax	–	–	602	–	–	**602**
▪ Movement in fair value of hedging contracts (note G.1.2.c)	–	–	(308,625)	–	–	**(308,625)**
▪ Recycling of the fair value on the partially terminated hedging contracts (note G.1.2.c)	–	–	56,884	–	–	**56,884**
▪ Related tax	–	–	(12,724)	–	–	**(12,724)**
▪ Foreign exchange translation differences	–	–	–	–	(82,279)	**(82,279)**
At 31 December 2019	**220,000**	**1,711,796**	**(675,092)**	**158,940**	**223,003**	**1,638,647**

* *See note H.3.*
** *Of which €5,269,000 is in respect of free shares and €5,407,000 is in respect of preference shares.*

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

€'000	Note	Full year 2019	Full year 2018
Operating margin (EBITDA) from continuing operations		560,242	569,105
Operating margin (EBITDA) from discontinued operations	C.2	21	(107)
Exchange adjustment	*	10,095	(2,921)
(Increase)/decrease in inventories		(229)	(448)
Decrease/(increase) in trade and other receivables		24,819	(5,824)
(Decrease)/increase in trade and other payables		(6,017)	27,741
Net cash inflow from trading		**588,931**	**587,546**
Other operating cash in/(out)flows		5,354	(5,315)
Taxation received/(paid)		4,262	(10,048)
Net cash inflow from operating activities		**598,547**	**572,183**
Payments to acquire property, plant and equipment		(246,583)	(268,671)
Sale of property, plant and equipment		370	18
Net cash outflow from investing activities		**(246,213)**	**(268,653)**
Capital transactions:			
Dividend paid		(193,014)	(160,385)
Exercise of stock options		3,165	3,112
Purchase of treasury shares		–	(14,923)
Liquidity contract (net)		2,652	(1,238)
Financial transactions:			
Purchase of G2 notes		–	(401,189)
Issue of Senior Secured Notes		–	550,000
Fees paid on new loans		(71)	(13,851)
Payment into Senior Secured Notes debt service reserve account	G.7	–	(19,940)
Net debt service cost:			
Fees paid on loans	G.4	(7,276)	(7,086)
Interest paid on loans		(189,107)	(174,313)
Scheduled repayment of loans		(52,383)	(63,374)
Cash received from scheduled repayment of G2 notes		5,331	6,959
Interest paid on leasing and repayment of leasing obligations (IFRS 16)	G.4	(21,114)	(18,833)
Interest received on cash and cash equivalents		2,761	1,842
Interest received on other financial assets		6,907	6,578
Net cash outflow from financing activities		**(442,149)**	**(306,641)**
Decrease in cash in the year		**(89,815)**	**(3,111)**

* *The adjustment relates to the restatement of elements of the income statement at the exchange rate ruling at the year end.*

Movement during the year

€'000	Note	2019	2018
Cash and cash equivalents at 1 January		606,532	612,533
Effect of movement in exchange rate		7,981	(2,886)
(Decrease)/increase in cash in year		(89,815)	(3,111)
(Decrease)/increase in interest receivable in year		(191)	(4)
Cash and cash equivalents at 31 December	G.8	**524,507**	**606,532**

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the financial statements

Getlink SE, formerly Groupe Eurotunnel SE, is the Group's consolidating entity. Its registered office is at 3 rue La Boétie, 75008 Paris, France and its shares are listed on Euronext Paris and on NYSE Euronext London. The term "Getlink SE" refers to the holding company which is governed by French law. The term "Group" refers to Getlink SE and all its subsidiaries.

The main activities of the Group are the design, financing, construction and operation by the "Eurotunnel" segment of the Fixed Link's infrastructure and transport system in accordance with the terms of the Concession (which will expire in 2086), the rail freight activity of the Europorte segment as well as the construction and operation (expected in mid-2021) of the 1GW electricity interconnector in the Tunnel by ElecLink. The maritime activity was discontinued in 2015 (see note C.2 below).

The consolidated financial statements were finalised by the Board of Directors on 26 February 2020 and will be submitted for approval to the shareholders' General Meeting.

A. Important events

A.1 Brexit: the United Kingdom's exit from the European Union

Following the UK's decision to leave the European Union on 23 June 2016 and the triggering of Article 50 by the British government at the end of March 2017, the official date of exit of the United Kingdom from the European Union initially set at 29 March 2019 was initially postponed to 31 October 2019 and finally took place on 31 January 2020. The exit of the United Kingdom from the European Union at the end of January 2020 will be followed by a transition period ending, at the earliest, on 31 December 2020. In this context uncertainty remains as to the nature of the trade agreements which will be negotiated between the United Kingdom and the European Union.

The Group has seen the impact of this situation on its business in 2019, with the Truck market affected twice by stockpiling then destocking actions in the United Kingdom and by a certain reluctance to travel on the part of its Passenger customers. This situation was exacerbated by the actions taken by French customs officials between March and May 2019, then by strikes in France in December 2019.

During the period, the Group continued to implement its action and investment plan launched mid-2018 and designed to maintain the fluidity of its traffic post-Brexit, whatever the political or regulatory situation may be. The successive postponements of the official exit date from the United Kingdom have had no significant impact on this plan, which remains in force.

The Group has taken this context into account in determining the main estimates and assumptions made in the preparation of its consolidated financial statements for the year ended 31 December 2019 as set out in note B.3.3 below.

A.2 ElecLink project

During the period, construction works on the converter stations and the manufacture and preparation of the cable have been completed in line with the original timetable. Investment in the project during 2019 amounted to €136 million, bringing the total investment, since the Group took full control of ElecLink in 2016, to €726 million as at 31 December 2019, including €605 million in fixed assets and €121 million in intangible assets (excluding goodwill and deferred tax liabilities of the same amount (€20 million)).

During 2019, ElecLink signed an agreement with RTE confirming its participation in the French capacity mechanism from 2021 which should generate additional revenue.

During the period, the Group continued its exchanges with the IGC as well as the Channel Tunnel Safety Authority, the ad-hoc committee and the working group of their experts in order to enable them to make a global decision on the authorisation for the installation of the cable in the Tunnel and the commissioning of the interconnector. Numerous additional safety studies and reports of independent experts have been submitted as part of this process. On 9 January 2020, the IGC announced that it plans to make a decision in April 2020. In this context, the Group currently expects that commercial operation of the interconnector will start in mid-2021.

In addition, the partial exemption under article 17 of the European Union Regulation on the electricity market granted to ElecLink by national regulators and the European Commission in 2014 allows in particular ElecLink to use revenues from the sale of interconnector capacity and to set and control the conditions of access to the regulated market for a period of 25 years from entry into service by 31 July 2020 at the latest. The Group has approached the national regulators to obtain an extension to this deadline.

A.3 Settlement agreement with the British government

On 28 February 2019, the Group concluded a settlement agreement with the British Secretary for State for Transport which put an end to the legal action started by the Group following the British government's award at the end of 2018 of capacity contracts to three ferry companies as part of its preparations for a Brexit on 29 March 2019. Under the terms of this agreement, the Group agreed to withdraw its claims in return for the payment by the British government of £33 million (€38 million) spread in three equal instalments over a period of three years. In 2019, the Group thus received £11 million (€13 million) in respect of the first instalment paid under this agreement. The agreement also confirms that the Group will carry out some investments on its sites.

On 25 May 2019, the company P&O filed a claim against the British government in respect of the settlement agreement concluded with the Group. On 4 November 2019, P&O fully and irrevocably withdrew its claims without financial consideration.

In this context, the Group has recorded £33 million (€38 million) in "Other operating income" in its 2019 consolidated income statement in respect of this agreement.

B. Principles of preparation, main accounting policies and methods

The consolidated accounts consist of the consolidation of the accounts of Getlink SE and its subsidiaries as set out in the table in note C.1 below. The accounting periods of the Group companies run from 1 January to 31 December.

B.1 Statement of compliance and Group accounting standards

Pursuant to EC Regulation 297/2008 of 11 March 2008 on International Accounting Standards, the Group's consolidated financial statements for the year ended 31 December 2019 are prepared in accordance with international accounting standards as published by IASB and approved by the European Union as at 31 December 2019. These international standards include International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and interpretations (SIC and IFRIC).

The Group has control over the nature and price of the services it provides, and therefore does not meet the criteria set out in IFRIC 12 relating to concession contracts.

The Group has not anticipated the application of any standards or interpretations, the implementation of which is not mandatory in 2019.

B.2 Changes in accounting standards as at 31 December 2019

The standards and interpretations used and described in the annual financial statements as at 31 December 2018 have been supplemented by the standards, amendments and interpretations whose application is mandatory for financial years beginning on or after 1 January 2019.

B.2.1 Texts adopted by the European Union whose application is compulsory

The texts adopted by the European Union, the application of which is compulsory for financial years beginning on or after 1 January 2019, are as follows:

- amendments to IFRS 9 "Financial Instruments: Prepayment features with negative compensation";
- IFRS 16 "Leases" which the Group had already applied early in its consolidated financial statements as at 31 December 2018;
- interpretation IFRIC 23 "Uncertainty over Income Tax Treatments";
- amendments to IAS 28 "Long-term Interests in Associates and Joint Ventures"; and
- amendments to IAS 19 "Plan Amendment, Curtailment or Settlement".

The application of other texts has not had a significant impact on the Group's consolidated financial statements.

B.2.2 Other texts and amendments published by the IASB but not approved by the European Union

The following texts concerning accounting rules and methods have not yet been approved by the European Union:

- amendments to IAS 1 and IAS 8 "Definition of Material";
- IFRS 17 "Insurance Contracts";
- IFRS 14 "Regulatory Deferral Accounts";
- amendments to IFRS 10 and IAS 28 "Sales or contributions of assets between an investor and its associate/joint venture";
- amendments to IFRS 3 "Definition of a Business"; and
- amendments to IFRS 9, IAS 39 and IFRS 7 "Interest Rate Benchmark Reform".

The potential impact of these other texts will be assessed by the Group in subsequent years.

B.3 Basis of preparation

B.3.1 Conversion of foreign currency transactions

Transactions in foreign currencies are converted into the reporting currency of each individual company at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies other than those mentioned in note B.3.2 below are translated at the rate ruling at the end of the reporting period. Exchange differences are dealt with in the income statement.

B.3.2 Exchange rates for consolidated entities

Getlink SE's company accounts and consolidated accounts are prepared in euros.

With the exception of ElecLink Limited which prepares its accounts in euros, the accounts of the Group's British subsidiaries, and notably CTG and its subsidiaries, are prepared in sterling and are converted into euros as follows:

- Retained reserves brought forward and Concession property, plant and equipment and related depreciation, at historical rates.
- All other assets and liabilities at the rate ruling at the end of the reporting period.
- Income statement items, with the exception of the Concessionaires' depreciation, at the average rate for the year.
- Exchange differences arising from the application of the above are included in the cumulative translation reserve in the statement of financial position.
- The closing and average €/£ exchange rates for 2019 and 2018 are as follows:

€/£	2019	2018
Closing rate	1.175	1.118
Average rate	1.140	1.128

B.3.3 Use of estimates and judgements

The preparation of the consolidated financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the period. The Board of Directors periodically reviews its valuations and estimates based on its experience and various other factors considered relevant for the determination of reasonable and appropriate estimates of the assets' and liabilities' carrying value. In addition, the estimates underlying the preparation of these annual financial statements as at 31 December 2019 have been established in the context of the uncertainties concerning the final terms and conditions for the implementation of Brexit. Depending on the evolution of these assumptions, actual results may differ from current estimates.

The use of estimations concerns mainly the valuation of intangible and tangible property, plant and equipment (see note F) in particular for the ElecLink project, the evaluation of the Group's deferred tax situation (note I), the valuation of the Group's retirement liabilities (see note E.4) and certain elements of the valuation of financial assets and liabilities (note G.9) as well as the application of IFRS 16 "Leases" in particular for the definition of the lease and the estimation of the remaining term of each lease (note G.4).

C. Scope of consolidation

ACCOUNTING PRINCIPLES

Global integration

The accounts of entities under the Group's direct or indirect control are included in the consolidated financial statements using the full consolidation method. Control of an entity is deemed to exist when the Group:

- holds power over the entity,
- is exposed to, or entitled to, variable returns due to its involvement with the entity, and
- has the ability to exercise its power over the relevant activities of the entity in order to affect the amount of returns it obtains.

All significant transactions between the consolidated subsidiaries are eliminated, as are the Group's internal results (capital gains, profits on inventories, dividends).

The results of acquired subsidiaries are consolidated from the date on which control is exercised. Companies acquired or incorporated during the period are consolidated from the date of acquisition or incorporation.

C.1 List of consolidated companies

For the purposes of consolidation, Getlink SE comprises the following companies at 31 December 2018 and 31 December 2019:

	Country of registration or incorporation	Consolidation method	31 December 2019		31 December 2018	
			% interest	% control	% interest	% control
Getlink segment						
Getlink SE	France	FC	holding company			
Centre International de Formation Ferroviaire de la Côte d'Opale SAS (CIFFCO)	France	FC	100	100	100	100
Euro-Immo GET SAS	France	FC	100	100	100	100
Eurotunnel Agent Services Limited	England	FC	100	100	100	100
Eurotunnel Management Services Limited	England	FC	100	100	100	100
Eurotunnel segment						
Eurotunnel Holding SAS	France	FC	100	100	100	100
France Manche SA (FM, the French Concessionaire)	France	FC	100	100	100	100
The Channel Tunnel Group Limited (CTG, the British Concessionaire)	England	FC	100	100	100	100
Eurotunnel Financial Services Limited	England	FC	100	100	100	100
Eurotunnel SE	Belgium	FC	100	100	100	100
Eurotunnel Services GIE (ESGIE)	France	FC	100	100	100	100
Eurotunnel Services Limited (ESL)	England	FC	100	100	100	100
Gamond Insurance Company Limited (GICL)	Guernsey	FC	100	100	100	100
Europorte segment						
Europorte SAS	France	FC	100	100	100	100
Europorte Channel UK Ltd	England	FC	100	100	–	–
Europorte Channel SAS	France	FC	100	100	100	100
Europorte France SAS	France	FC	100	100	100	100
Europorte Proximité SAS	France	FC	100	100	100	100
Eurosco SAS	France	FC	100	100	100	100
JP Serwices SAS	France	FC	63	100	63	100
Socorail SAS	France	FC	100	100	100	100
Europorte Terminal Container du Sud-Ouest SAS	France	FC	100	100	100	100
ElecLink segment						
GET Elec Limited	England	FC	100	100	100	100
ElecLink Limited	England	FC	100	100	100	100
Discontinued operations						
Euro-TransManche Holding SAS	France	FC	100	100	100	100
Euro-TransManche 3 BE SAS	France	FC	100	100	100	100
Euro-TransManche 3 NPC SAS	France	FC	100	100	100	100
GET Finances SAS	France	FC	100	100	100	100
Euro-TransManche SAS	France	FC	100	100	100	100
MyFerryLink SAS	France	FC	100	100	100	100
Companies with no significant activity during 2019						
Cheriton Leasing Limited, Cheriton Resources 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 Limited	England	FC	100	100	100	100
Eurotunnel Developments Limited (EDL)	England	FC	100	100	100	100
Eurotunnel Finance Limited (EFL)	England	FC	100	100	100	100
Eurotunnel Project SAS	France	FC	100	100	100	100
Eurotunnel Trustees Limited (ETRL)	England	FC	100	100	100	100
EurotunnelPlus Limited	England	FC	100	100	100	100
EurotunnelPlus GmbH *	Germany	FC	100	100	100	100
Le Shuttle Limited	England	FC	100	100	100	100
London Carex Limited	England	FC	100	100	100	100
MyFerryLink Limited	England	FC	100	100	100	100
Orbital Park Limited (OPL)	England	FC	100	100	100	100

* *EurotunnelPlus GmbH is in the process of being wound up.*

At 31 December 2018 and at 31 December 2019, all the Group's companies were fully consolidated (FC).

C.2 Changes in the scope of consolidation

ACCOUNTING PRINCIPLES

Business combinations

Business combinations are recorded in accordance with the acquisition accounting method as set out in the revised IFRS 3. Under this method, the assets acquired and liabilities and contingent liabilities assumed are recorded at fair value.

When a business is acquired in stages, the Group's previously held interest in the business acquired is revalued to fair value through profit or loss at the time of full acquisition. For the determination of goodwill at the date of control, the fair value of the consideration transferred (for example the price paid) is increased by the fair value of the interest previously held by the Group.

Costs directly attributable to acquisition transactions are recognised in the operating result for the year.

Sale of businesses

The result of the entities sold in the period, together with the gain or loss on the disposal of these activities and the costs directly attributable to the transaction, are presented, net of tax, on a separate line item in the income statement entitled “Net result from discontinued activities”. The same treatment is applied to the income statement for the previous financial year. The amount of other comprehensive income previously recognised in respect of the investment held prior to the sale is recycled to the income statement.

Assets and liabilities held for sale and discontinued operations

IFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations” sets out the accounting treatment applicable to assets held for sale and the presentation and disclosure requirements for discontinued operations.

Assets held for sale

Non-current assets held for sale are presented on a separate line of the statement of financial position when (i) the Group has made the decision to sell the asset(s) concerned and (ii) the sale is considered to be highly probable. These assets are measured at the lower of their net carrying amount and their fair value less costs to sell.

Property, plant and equipment classified as “Assets held for sale” are no longer subject to impairment and depreciation is stopped at the date of application of IFRS 5.

Discontinued operations

A discontinued operation is a component of an entity that the Group has decided to dispose of, either by terminating or selling the activity and which represents a separate sector of activity and is part of a single co-ordinated disposal plan.

When these criteria are met, the results of discontinued operations are presented on a separate line in the consolidated income statement for each period. The Group assesses whether a discontinued operation represents a separate sector of activity mainly on the basis of its relative contribution to the Group’s consolidated financial statements.

Discontinued operations (including non-current assets, current assets and the related liabilities classified as held for sale) are measured as a whole at the lower of their carrying amount and fair value less costs to sell.

Costs specifically incurred in the context of the cessation of the activity are presented in the income statement within the “Net result from discontinued operations”.

Assets held for sale and discontinued operations

The net result per discontinued activity is as below:

€'000	2019	2018
Maritime segment	603	(66)
Net result from discontinued activities	**603**	**(66)**
Earnings per share from discontinued activities (€):		
Basic	–	–
Diluted	–	–

Since the ending of its maritime activity in the second half of 2015, the Group has applied IFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations” to its maritime segment. In 2017, the Group sold its three ferries.

The Group is the subject of a number of legal claims following the cessation of its maritime activity for which provision has been made amounting to €11 million as at 31 December 2019.

Maritime segment's income statement

€'000	2019	2018
Operating costs	21	(107)
Operating margin (EBITDA)	**21**	**(107)**
Other operating income/(charges)	582	37
Operating profit/(loss)	**603**	**(70)**
Other financial income/(charges)	–	4
Net profit/(loss)	**603**	**(66)**

Maritime segment's cash flow statement

€'000	2019	2018
Net cash flow from operating activities	512	(1,039)
Net cash flow from investing activities	–	12
Net cash flow from financing activities	–	–
Increase/(decrease) in cash in year	**512**	**(1,027)**

D. Operating data

D.1 Segment information

ACCOUNTING PRINCIPLES

Segment information is presented by business segment, in accordance with the Group's internal reporting and organisation.

The Group is organised around the following four segments, which correspond to the internal information reviewed and used by the main operational decision makers (the executive committee):

- the "Eurotunnel" segment, which includes the Concessionaires of the cross-Channel Fixed Link and their subsidiaries,
- the "Europorte" segment, the main activity of which is that of rail freight operator,
- the "ElecLink" segment, whose activity is the construction and operation of a 1GW electricity interconnector running through the Channel Tunnel, and
- the "Getlink" segment which includes the Group's corporate services and which includes the Group's holding company Getlink SE as well as its direct subsidiaries including the railway training centre CIFFCO.

D.1.1 Information by segment

€'000	Eurotunnel	* Getlink	Europorte	ElecLink	Total of continuing operations	Discontinued operations**	Total
At 31 December 2019							
Revenue	957,609	1,208	126,460	–	**1,085,277**	–	**1,085,277**
EBITDA	552,558	(15,856)	23,847	(307)	**560,242**	–	**560,242**
Trading profit/(loss)	394,663	(17,396)	2,228	(992)	**378,503**	–	**378,503**
Pre-tax result of continuing operations	140,067	26,452	746	(10,943)	**156,322**	–	**156,322**
Net consolidated result					**158,337**	603	**158,940**
Investment in property, plant and equipment	102,270	3,153	2,472	136,011	**243,906**	–	**243,906**
Property, plant and equipment (intangible and tangible)	5,876,536	9,568	101,340	746,665	**6,734,109**	–	**6,734,109**
External financial liabilities	4,367,828	533,863	11,559	–	**4,913,250**	–	**4,913,250**
At 31 December 2018							
Revenue	955,986	2,428	121,035	–	**1,079,449**	–	**1,079,449**
EBITDA	559,374	(14,238)	24,865	(896)	**569,105**	–	**569,105**
Trading profit/(loss)	407,950	(14,788)	2,990	(991)	**395,161**	–	**395,161**
Pre-tax result of continuing operations	130,150	479	1,385	(2,694)	**129,320**	–	**129,320**
Net consolidated result					**130,386**	(66)	**130,320**
Investment in property, plant and equipment	66,866	1,587	2,114	213,042	**283,609**	–	**283,609**
Property, plant and equipment (intangible and tangible)	5,930,135	4,495	111,249	611,340	**6,657,219**	–	**6,657,219**
External financial liabilities	4,271,614	529,577	12,555	–	**4,813,746**	–	**4,813,746**

* *The Getlink segment's pre-tax result includes €27 million of unrealised intra-Group exchange gains in 2019 (2018: €2 million).*
** *See note C.2 above.*

D.1.2 Geographical information

Eurotunnel's activities are mainly those of the transport of freight, vehicles and passengers between France and the United Kingdom.

The Europorte segment's revenues are generated mainly in France.

D.2 Revenue

ACCOUNTING PRINCIPLES

Revenue corresponds to sales of services as part of the ordinary activities of the Group's various segments.

Eurotunnel

Sales are recognised in revenue when the service is delivered.

- For the Truck Shuttle activity, revenue is recognised when the crossing has been made.
- For the Passenger Shuttle activity:
  - when the reservation is made, the tickets are recorded in "deferred income",
  - then the revenue is recognised when the crossing has been made.
- For the Railway Network passenger and rail freight tolls, revenue is recognised when the crossing has been made. For the Railway Network's annual fixed charges and contributions to its operating and investment costs, revenue is recognised as a function of the Fixed Link's availability.

Europorte

For the rail transport activity, revenue corresponds to sales of transport services and sales are recognised in revenue when the service is actually performed.

For the maintenance and management of railway infrastructure, sales are recognised in revenue when the services are actually performed.

Revenue is analysed as follows:

€'000	2019	2018
Shuttle Services	629,913	636,425
Railway Network	315,137	305,556
Other revenues	12,559	14,005
Sub-total Eurotunnel	**957,609**	**955,986**
Getlink	1,208	2,428
Europorte	126,460	121,035
Total	**1,085,277**	**1,079,449**

D.3 Operating costs

Operating costs are analysed as follows:

€'000	2019	2018
Operations and maintenance: sub-contracting and spares	119,173	110,664
Electricity *	31,173	31,722
Cost of sales and commercial costs	12,201	16,778
Regulatory costs, insurance and local taxes	41,589	42,484
General overheads and centralised costs	12,985	15,880
Sub-total Eurotunnel	**217,121**	**217,528**
Getlink	3,952	3,732
Europorte	51,520	48,270
ElecLink	119	668
Total	**272,712**	**270,198**

* *Net of a credit of €3.9million (2018: €3.9 million) relating to EDF energy certificates in respect of the operation of the new Truck Shuttles.*

D.4 EBITDA/operating margin

ACCOUNTING PRINCIPLES

EBITDA (or operating margin) as used by the Group is calculated by adding back depreciation charges to the trading profit.

D.5 Other operating income and (expenses)

€'000	2019	2018
Other operating income	38,082	1,638
Sub-total other operating income	**38,082**	**1,638**
Net loss on disposal or write-off of assets	(3,181)	(2,654)
Other	(4,365)	(1,438)
Sub-total other operating expenses	**(7,546)**	**(4,092)**
Total	**30,536**	**(2,454)**

In 2019, other operating income related mainly to the recognition of €38 million (£33 million) settlement agreement with the British government (see note A.3 above).

Other operating expenses relate mainly to legal and advisory costs arising from non-recurring transactions.

D.6 Trade and other receivables

ACCOUNTING PRINCIPLES

Trade and other receivables are included in the category "Financial assets measured at amortised cost".

For trade receivables, receivables with a proven risk and considered doubtful are subject to an impairment loss determined on the basis of the estimated recoverable amount.

In accordance with the provisions of IFRS 9, receivables that do not present a proven risk are subject to an impairment calculation for expected impairment losses. In accordance with the provisions of IFRS 9, the Group has adopted the simplified approach for trade receivables. Impairment losses are estimated using an impairment matrix based on historical default rates of receivables over their lifetime.

D.6.1 Trade receivables

The maximum credit risk exposure on trade receivables by type of customer at the end of the reporting period is as follows:

€'000	31 December 2019	31 December 2018
Road haulage companies	44,456	46,350
National railways	13,007	28,602
Rail freight sector	19,150	20,868
Other	13,630	14,318
Gross value	**90,243**	**110,138**
Impairment losses for proven risk	(12,318)	(11,982)
Impairment losses for expected risk	(777)	(667)
Net value	**77,148**	**97,489**

The age profile of trade receivables at the end of the reporting period is as follows:

€'000		Not yet due	Past due for less than 30 days	Past due for between 30 and 90 days	Past due for more than 90 days
At 31 December 2019	Gross	52,878	20,106	4,142	13,117
	Impairment	87	135	216	12,657
At 31 December 2018	Gross	68,673	23,758	5,064	12,643
	Impairment	410	142	64	12,033

Impairment of trade receivables (for proven risk and expected credit losses) changed as follows during the year:

€'000	2019	2018
Balance at 1 January	12,649	12,638
Impairment loss recognised	860	181
Impairment loss recovered	(424)	(164)
Exchange difference	10	(6)
Balance at 31 December	**13,095**	**12,649**

D.6.2 Other receivables

€'000	31 December 2019	31 December 2018
Suppliers	2,340	3,995
State debtors	59,610	45,915
Prepayments	14,223	8,516
Other	4,657	4,048
Total	**80,830**	**62,474**

D.7 Trade and other payables

€'000	31 December 2019	31 December 2018
Trade cash advances	2,135	2,152
Trade creditors and accruals	96,575	100,618
Taxation, social security and staff	60,618	66,329
Property, plant and equipment creditors and accruals	31,786	22,269
Trade payables (current)	**191,114**	**191,368**
Deferred income*	30,624	32,337
Other	5,358	7,110
Other payables (current)	**35,982**	**39,447**
Total	**227,096**	**230,815**

* *Deferred income is mainly composed of tickets issued but not yet used.*

D.8 Provisions

ACCOUNTING PRINCIPLES

Provisions are recognised when there exists a legal or constructive obligation stemming from a past event and when the related future cash flows can be reliably estimated.

€'000	1 January 2019	Charge to income statement	Release of unspent provisions	Provisions utilised	Exchange difference	31 December 2019
Continuing activities	4,514	381	(156)	(1,228)	19	**3,530**
Discontinued maritime activity (note C.2)	11,198	–	–	–	–	**11,198**
Total	**15,712**	**381**	**(156)**	**(1,228)**	**19**	**14,728**

E. Personnel expenses and benefits

E.1 Employee numbers and employee benefits expense

	2019	2018
Number of persons employed at year end	3,539	3,517
Average number of persons employed	3,540	3,480
Employee benefits expense (in €'000)*	252,323	240,146

* *Including employment costs and directors' remuneration (14 non-executive Directors at 31 December 2018 and 14 at 31 December 2019).*

In 2019, employee benefits expense includes charges of €10,233,000 (2018: €6,536,000) relating to free shares and preference shares (see note E.5.4 below).

E.2 Remuneration of Board Directors and senior executives

The total remuneration from all Group companies to members of the Getlink SE Board who served during 2019 was €2.1 million (2018: €2.0 million) before pension contributions. This remuneration, which includes attendance fees payable to members of the Board for a total of €0.7 million (2018: €0.7 million) and the Chairman and Chief Executive Officer's remuneration, is entirely comprised of current employment benefits.

The remuneration for members of the Group's executive committee (excluding members of the Board) in 2018 and 2019, is given in the table below. There were 9 members of the executive committee (excluding Board Directors) at 31 December 2019 (7 at 31 December 2018).

€'000	**2019**	**2018**
Current employment benefits	2,811	2,409
Post-employment benefits	–	–
Other long-term benefits	–	–
Payments in respect of termination of service	–	–
Cost of share-based payments	2,519	1,592
Total	**5,330**	**4,001**

E.3 Related parties: remuneration of Board Directors and senior executives

The amount of remuneration paid to members of the Board and senior executives is included in note E.2 above.

E.4 Retirement benefits

ACCOUNTING PRINCIPLES

The Group provides for its legal and contractual obligations for retirement indemnities of employees under French contracts, and for the defined benefit retirement schemes of employees under UK contracts operated by CTG and ESL. The liability for defined benefits, recorded in the statement of financial position, is the present value of the obligation under defined benefit plans at the end of the financial year less the fair value of plan assets. These liabilities are valued using the actuarial method of projected unit of credit on the basis of actuarial valuations made at the end of each financial year. The current service cost of the period and the interest on the obligation are accounted for in the "staff benefit expense" line of the consolidated income statement. Valuation of the liability for defined benefit plans in respect of (i) actuarial gains and losses, (ii) the actual return on plan assets and (iii) changes in the effect of the asset ceiling benefits are recognised in the consolidated statement of other comprehensive income.

The Group has provided for the following retirement liabilities:

€'000	**31 December 2019**	**31 December 2018**
United Kingdom	82,254	74,530
France	16,077	12,473
Total	**98,331**	**87,003**

E.4.1 UK employee defined benefit obligations

Getlink SE operates two pension schemes in the UK: The Channel Tunnel Group Pension Fund and The Channel Tunnel Group Senior Executives Pension Fund providing defined benefits for ESL staff based on final pensionable pay. The characteristics of these schemes are similar and the assets of each are held in separate trustee-administered funds.

The valuation at the end of the financial year has been prepared by an independent qualified actuary to take account of the requirements of the amended IAS 19 in order to assess the liabilities and assets of the schemes as at the end of the reporting period.

The fair value of the schemes' assets, which are not intended to be realised in the short term and may be subject to significant change, and the present value of the schemes' liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

€'000	31 December 2019	31 December 2018
Analysis of plan assets:		
Return seeking investments:		
Equities	185,244	150,894
Other	28,772	25,170
Liability matching investments:		
Gilts	48,208	45,336
Bonds	80,636	72,220
Other	505	944
Fair value of plan assets	**343,365**	**294,564**
Present value of funded obligations	421,609	365,356
Present value of net obligations	**78,244**	**70,792**
Effect of asset ceiling	4,010	3,738
Recognised liability for retirement obligations (see below)	**82,254**	**74,530**

Assumptions

The main assumptions that have been used in the actuarial calculations are as follows:

	2019	2018
Discount rate	2.0%	2.9%
Inflation rate	3.1%	3.4%
Future pension increases	3.0%	3.3%

Sensitivity to changes in the main assumptions

Reasonably possible changes to one of the relevant actuarial assumptions at the end of the reporting period, all things being equal, would have affected the defined benefit liability by the amounts shown below.

€'000 At 31 December 2019	Increase	Decrease
Discount rate: +/-1%	(75,811)	99,083
Inflation: +/-1%	68,759	(60,414)
Mortality: +/-1 an	19,276	(19,041)

Expected cash outflows and risks associated with pension liabilities

The investment strategy for managing the assets of the pension schemes is defined by the trustees of the pension funds. The maturities of the contributions and the level of funding of schemes are negotiated between the Group and the trustees on the basis of actuarial valuations carried out every three years. Contributions are intended both to recover the deficit related to rights acquired in the past and to cover the service costs in future years.

The Group estimates that contributions to be paid into the defined benefit schemes in the 2020 financial year will be €3.5 million, of which be €1.6 million will be in respect of current service costs for the period and be €1.8 million will be in respect of the recovery of the deficit in the Channel Tunnel Group Pension Fund. The weighted average duration of the ESL plan is 21 years.

Movements in the present value of retirement obligations

€'000	2019	2018
Opening liability at 1 January	365,356	369,386
Current service costs	3,988	4,588
Interest on obligation	10,684	9,898
Contributions received from employees	1,140	1,240
Benefits paid and transfers	(8,322)	(6,128)
Actuarial gain/(loss) and curtailment	28,857	(10,621)
Exchange rate adjustment	19,906	(3,007)
Closing liability at 31 December	**421,609**	**365,356**

Movements in the fair value of plan assets

€'000	2019	2018
Fair value of plan assets at 1 January	294,564	310,733
Contributions received from employer	3,499	3,607
Contributions received from employees	1,140	1,240
Benefits paid and transfers	(8,322)	(6,128)
Expected return on plan assets	8,657	8,380
Actuarial gain/(loss) on plan assets	27,675	(20,855)
Exchange rate adjustment	16,152	(2,413)
Fair value of plan assets at 31 December	**343,365**	**294,564**

Movements in the net liability for retirement obligations recognised in the balance sheet

€'000	2019	2018
Opening net liability at 1 January	74,530	62,714
Company contributions paid	(3,499)	(3,607)
Recognised in the income statement	6,125	6,217
Recognised in other comprehensive income	1,149	9,830
Exchange rate adjustment	3,949	(624)
Closing net liability at 31 December	**82,254**	**74,530**

Expense recognised in the income statement

€'000	2019	2018
Current service costs	3,988	4,588
Interest on obligation and administration costs	2,137	1,629
Total	**6,125**	**6,217**

Profit/(loss) recognised in other comprehensive income

€'000	2019	2018
Actuarial profit/(loss) on assets	27,675	(20,855)
Actuarial (loss)/profit on retirement obligations	(28,857)	10,621
Effect of asset ceiling	33	404
Total	**(1,149)**	**(9,830)**

E.4.2 UK defined contribution scheme

On 1 October 2006, Eurotunnel put in place a defined contribution pension scheme (the Eurotunnel Defined Contribution Pension Scheme) which is open to all new ESL employees. The charge to the income statement in 2019 relating to this scheme was €1,291,000 (2018: €1,130,000).

E.4.3 French employee defined benefit scheme

In France, employees receive a lump sum payment on retirement in accordance with contractual commitments. These liabilities cover Getlink, Eurotunnel and Europorte.

€'000	2019	2018
Provision for retirement liabilities at 1 January	12,473	11,256
Current service cost	937	732
Interest on obligation	191	144
Total charge to the income statement in Employee benefits expense	**1,128**	**876**
Actuarial losses and (gains)	2,663	520
Indemnities paid	(187)	(179)
Provision for retirement liabilities at 31 December	**16,077**	**12,473**

Assumptions

Principal actuarial assumptions at the end of the reporting period (expressed as weighted averages) are as follows:

	31 December 2019	31 December 2018
Discount rate	0.92%	1.57%
Future salary increases	2.50%	1.60%
Inflation rate	1.50%	1.50%

E.5 Share-based payments

ACCOUNTING PRINCIPLES

Share-based payments

Share options are accounted for in accordance with IFRS 2. The options are valued at their fair value at the date on which they are granted (see next paragraph) and any variations in value occurring after the grant date are not taken into account. The value is charged to employee benefits expense on a straight line basis between the date of the grant and the maturity date (the vesting period), with an equal and opposite entry directly to equity.

Measurement of fair value

The fair value of stock option plans is measured by applying the binomial Black & Scholes model and the Monte Carlo approach. The basis of calculation includes the share price on the grant date, the exercise price of the options, expected volatility of the underlying shares, expected period before exercise, expected dividends and share yield, and the expected turnover of beneficiaries. Performance conditions which are not related to the market are not included in the fair value measurement.

E.5.1 Share options

Share option plan (treated as an equity instrument)

On 26 May 2010, the General Meeting of shareholders authorised the Board to grant, in one or several allocations, options over shares in the company to executives and senior staff of Getlink SE and its subsidiaries, during a period the duration of which is fixed at 38 months from 26 May 2010. The total number of options may not give the right to more than 3,900,000 shares of a nominal value of €0.40 each. The Board allocated 3,900,000 shares held under the share buyback programme to these options. Under this scheme, the Board have approved three grants of share options: on 16 July 2010, 21 July 2011 and 20 July 2012.

Characteristics and conditions of the share option plans

The characteristics and conditions attached to the attribution of the share options are as follows:

Date of grant / main staff concerned	Number of options	Conditions for acquiring rights	Vesting period
Options granted to key executives and senior staff on 16 July 2010	1,164,000	Staff must remain as employees of the Group until the exercise of options. Performance conditions: 50% of options are subject to conditions based on the financial performance of the Group (distribution of a dividend, consolidated EBITDA in 2010 and 2011 above a predetermined level). The performance conditions were met. Market performance condition: 50% of options are conditional on the Getlink SE share price performing better than the SBF120 index. The performance conditions were met.	4 years
Options granted to key executives and senior staff on 21 July 2011	1,430,000	Staff must remain as employees of the Group until the exercise of options. Performance conditions: 50% of options are subject to conditions based on the financial performance of the Group (distribution of a dividend, consolidated EBITDA in 2011 and 2012 above a predetermined level). The performance conditions were met. Market performance condition: 50% of options are conditional on the Getlink SE share price performing better than the SBF120 index. The market conditions were not met.	4 years

Date of grant / main staff concerned	Number of options	Conditions for acquiring rights	Vesting period
Options granted to key executives and senior staff on 20 July 2012	1,405,000	Staff must remain as employees of the Group until the exercise of options. Performance conditions: 50% of options are subject to conditions based on the financial performance of the Group (distribution of a dividend, consolidated EBITDA in 2012 and 2013 above a predetermined level). The performance conditions were met. Market performance condition: 50% of options are conditional on the Getlink SE share price performing better than the SBF120 index. The market condition for 2012 was not met. The market condition for 2013 was met.	4 years

Evolution of the share option plans

The number and the average weighted exercise price of the share options are as follows:

	2019		2018	
	Average weighted exercise price (in euros)	Number of options	Average weighted exercise price (in euros)	Number of options
In issue at 1 January	6.60	677,925	6.70	1,163,925
Exercised during the year	6.59	(340,770)	6.83	(486,000)
In issue at the end of the year	**6.62**	**337,155**	**6.60**	**677,925**
Exercisable at the end of the year	6.62	337,155	6.60	677,925

Of the 337,155 options in issue at 31 December 2019:

- 79,000 are exercisable, subject to staff remaining as employees of the Group, at a price of €6.42 until July 2020,
- 76,700 are exercisable, subject to staff remaining as employees of the Group, at a price of €7.52 until July 2021, and
- 181,455 are exercisable, subject to staff remaining as employees of the Group, at a price of €6.33 until July 2022.

Assumptions used for the fair value measurement of the share option plans on the grant date

The assumptions used to measure the fair value of the share option plans on the grant date were as follows:

	2012 plan	2011 plan	2010 plan
Fair value of options on grant date (€)	2.13	2.69	2.02
Share price on grant date (€)	6.28	7.629	6.046
Exercise price of an option (€)	6.33	7.52	6.42
Expected volatility	39%	36%	40%
Expected life of options	7 years	7 years	7 years
Number of beneficiaries	57	56	57
Risk-free interest rate (based on government bonds)	1.53%	3.0%	2.4%

E.5.2 Free share plans

a) Free share plans without performance conditions

Following the approval by the general meeting of shareholders on 18 April 2019 of the plan to issue existing free shares, Getlink SE's Board of Directors decided on 18 April 2019 to grant a total of 447,750 Getlink SE ordinary shares (125 shares per employee) to all employees of Getlink SE and its related companies with the exception of executive and corporate officers of Getlink SE. The vesting period for these shares is one year and is followed by a three-year lock-up period.

During 2019, 527,800 free shares issued in 2015 and 2018 were acquired by employees.

Evolution of free shares without performance conditions

Number of shares	2019	2018
In issue at 1 January	535,800	573,075
Granted during the year	447,750	348,700
Renounced during the year	(25,500)	(24,675)
Acquired during the year	(528,050)	(361,300)
In issue at the end of the year	**430,000**	**535,800**

Assumptions used for the fair value measurement of free shares without performance conditions on the grant date

Year of grant	2019	2018	2015
Fair value of free shares on grant date (€)	13.08	10.82	13.16
Share price on grant date (€)	14.03	11.55	14.09
Number of beneficiaries	3,582	3,487	3,890
Risk-free interest rate (based on government bonds):			
1 year	-0.44%	-0.46%	0.02%
4 years	-0.24%	-0.04%	–

b) Free share plan subject to performance conditions

The general meetings of shareholders on 27 April 2016 and 27 April 2017 authorised the Board of Directors to grant free shares to executives and senior staff of the company and its subsidiaries, subject to performance conditions, after a period of three years. The total number of shares may not give entitlement to more than 2,400,000 ordinary shares with a nominal of €0.40 each. Under these authorisations, the Board of Directors approved on 20 October 2016 and 15 June 2017 respectively, the allocation of a total of 2,400,000 shares.

Characteristics and conditions of the free share plan subject to performance conditions

Date of grant / main staff concerned	Number of shares	Conditions for acquiring rights	Vesting period
Ordinary shares granted to key executives and senior staff on 20 October 2016	1,200,000	Staff must remain as employees of the Group. Internal performance condition (50% of the attributable volume), is based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2017 and 2018. External performance condition (TSR, 40% of the attributable volume), is based on the stock market performance of the Getlink SE share compared to the performance of the DJI index (dividends included) over a three-year period. CSR performance condition (10% of attributable volume), is based on the performance of the 2018 composite CSR index.	3 years
Ordinary shares granted to key executives and senior staff on 15 June 2017	1,200,000	Staff must remain as employees of the Group. Internal performance condition for 50% of the attributable volume: based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2018 and 2019. External performance condition (TSR) for 40% of the attributable volume: based on the stock market performance of the Getlink SE share compared to the performance of the DJI index (dividends included) over a three-year period. CSR performance condition for 10% of attributable volume: based on the performance of the 2019 composite CSR index.	3 years

Evolution of the free share plan subject to performance conditions

Number of shares	2019	2018
In issue at 1 January	2,379,750	2,379,750
Acquired during the year	(760,040)	–
Cancelled during the year	(426,210)	–
In issue at the end of the year	**1,193,500**	**2,379,750**

Assumptions used for the fair value measurement of the free share plan subject to performance conditions on the grant date

The assumptions used to measure the fair value of the plan on grant date were as follows:

Year of grant	2017	2016
Fair value on grant date (€)	6.93	5.13
Share price on grant date (€)	10.10	8.23
Number of beneficiaries	55	60
Risk-free interest rate (based on government bonds)	0.0%	0.0%

E.5.3 Preference shares convertible into ordinary shares subject to performance conditions

On 18 April 2019, the General Meeting of shareholders authorised the Board of Directors to grant to executives and senior staff of Getlink SE and its subsidiaries preference shares (class E shares) with a nominal value of €0.01 each with no voting rights which are convertible into Getlink SE ordinary shares subject to performance conditions at the end of a three-year period. The total number of preference shares may not give the right to more than 1,500,000 ordinary shares of a nominal value of €0.40 each. Under this scheme, the Board approved on 18 April 2019 the grant of 1,500 preference shares, each convertible at the end of the period into a maximum of 1,000 ordinary shares.

Characteristics and conditions of the preference share plans

Date of grant / main staff concerned	Preference shares granted	Conversion ratio	Maximum permitted number of ordinary shares	Conditions for acquiring rights	Vesting period
Preference shares granted to key executives and senior staff on 29 April 2014 (**B shares**)	300	5,000	1,500,000	Staff must remain as employees of the Group. Market performance condition: calculated on a tapering scale corresponding to the percentage achievement of a maximum target of an average price of €11.50.	4 years
Preference shares granted to key executives and senior staff on 29 April 2015 (**C shares**)	2,000	500	1,000,000	Staff must remain as employees of the Group. Financial performance condition: 70% based on the Group's long-term economic performance: achievement of consolidated EBITDA targets announced to the market for 2015, 2016, 2017 and 2018. Market performance condition: 20% based on the performance of the Getlink SE share price compared to the DJI index (including dividends) over a four-year period. CSR performance condition: 10% based on the performance of the composite CSR index over a four-year period.	4 years
Preference shares granted to key executives and senior staff on 18 April 2018 (**D shares**)	1,500	1,000	1,500,000	Staff must remain as employees of the Group. Internal performance condition for 50% of the attributable volume: based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2018, 2019 and 2020. External performance condition (TSR) for 40% of the attributable volume: based on the stock market performance of the Getlink SE share compared to the performance of the GPR Getlink SE index (dividends included) over a 3-year period. CSR internal performance condition for 10% of attributable volume: based on the performance of the 2020 Composite CSR index.	3 years
Preference shares granted to key executives and senior staff on 18 April 2019 (**E shares**)	1,500	1,000	1,500,000	Staff must remain as employees of the Group. Internal performance condition for 50% of the attributable volume: based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2019, 2020 and 2021. External performance condition (TSR) for 40% of the attributable volume: based on the stock market performance of the Getlink SE share compared to the performance of the GPR Getlink SE index (dividends included) at the end of 2021. CSR internal performance condition for 10% of attributable volume: based on the performance Composite CSR index over a 3 year period.	3 years

Evolution of the preference share plans

Number of preference shares	E shares 2019		D shares 2018		C shares 2015		B shares 2014	
	2019	2018	2019	2018	2019	2018	2019	2018
In issue at 1 January	–	–	1,500	–	464	464	5	89
Granted during the year	1,500	–	–	1,500	–	–	–	–
Acquired during the year	–	–	(1,127)	–	(400)	–	(5)	(84)
Expired or cancelled during the year	(35)	–	–	–	(64)	–	–	–
In issue at the end of the year	**1,465**	**–**	**373**	**1,500**	**–**	**464**	**–**	**5**

Assumptions used for the fair value measurement preference shares on the grant date

The assumptions used to measure the fair value of the plans on grant date of the rights granted to staff as part of the plans were as follows:

	E shares	D shares	C shares	B shares
Fair value on grant date (€)	9.62	7.69	5.33	2.68
Share price on grant date (€)	14.03	11.55	14.09	9.68
Number of beneficiaries	55	53	63	36
Risk-free interest rate (based on government bonds):				
1 year	-0.30%	-0.32%	0.01%	0.58%
2 year	-0.27%	-0.20%	–	–
3 year	-0.21%	0.08%	–	–

E.5.4 Charges to income statement

€'000	2019	2018
Free shares	5,192	3,485
Preference shares convertible into ordinary shares	5,041	3,051
Total	**10,233**	**6,536**

F. Intangible and tangible property, plant and equipment

F.1 Goodwill and intangible assets

ACCOUNTING PRINCIPLES

Goodwill represents the excess of the acquisition cost over the fair value of the acquired portion of identifiable assets, liabilities and contingent liabilities. It is measured in the functional currency of the acquired entity and is recognised in the statement of financial position.

When the share of the fair value of the acquired assets, liabilities and contingent liabilities exceeds the cost of acquisition, a negative goodwill is recognised immediately in the income statement.

The fair value of intangible assets acquired following a business combination is measured using the present value of forecast future cash flows after taxation generated by the assets concerned. The method of depreciation of these intangible assets is determined according to the nature of the assets concerned.

Leasing contracts

The Group has applied IFRS 16 on leasing contracts since 31 December 2018 using the modified retrospective transition method from 1 January 2018. On the balance sheet, the Group recognises leases as assets in the form of a right of use against a lease liability for all contracts, regardless of their nature (operating or finance lease). In the income statement, the Group recognises depreciation and interest expense and in the cash flow statement, it presents lease payments as part of cash flows from financing activities. The Group uses a single discount rate for all contracts on the basis that, as supported by a sensitivity analysis, changes in the rate have very little impact on the amount of the adjustments, as the remaining term of the contracts is relatively short. Contracts with a remaining term of less than 12 months are excluded and the right of use is recorded for an amount equivalent to the lease liability.

Goodwill and intangible assets related to the acquisition of ElecLink

The goodwill that was accounted for on the acquisition of ElecLink, amounting to €119,955,000 at 31 December 2016, was fully allocated in 2017 to an intangible asset representing the estimate of fair value as at the date of acquisition of ElecLink in 2016 of the licence and exemption granted to ElecLink by the national regulators in 2013 and 2014. The intangible asset will be depreciated over the term of the licence and the exemption, over a period of 25 years from the date of start of operation of ElecLink's interconnector.

Residual goodwill of €20,392,000 was recognised as of 31 December 2017 resulting from the recognition of a deferred tax liability on the intangible asset in accordance with IAS 12.

Right of use of leasing contracts

The Group opted for early adoption of IFRS 16 as at 1 January 2018. The application of this standard results in the recognition as assets in the form of a right-of-use of the lease contracts in consideration for a leasing liability. Assets under lease are locomotives and other rolling stock belonging to the Europorte segment (totalling a net amount of €22 million as at 31 December 2019) and premises occupied by Europorte, Getlink and ElecLink as well as service vehicles.

	31 December 2019			31 December 2018		
€'000	Gross	Amortisation and impairment	Net	Gross	Amortisation and impairment	Net
Goodwill	20,392	–	20,392	20,392	–	20,392
Intangible assets	119,955	–	119,955	119,955	–	119,955
Right-of-use assets	72,178	(36,937)	35,241	56,246	(17,708)	38,538
Total intangible assets	**212,525**	**(36,937)**	**175,588**	**196,593**	**(17,708)**	**178,885**

Detail of movements during the year

€'000	As at 31 December 2018	31 December 2018 restated	Acquisitions and disposals	Charges for the year	As at 31 December 2019
Goodwill	20,392	20,392	–	–	20,392
Intangible assets	119,955	119,955	–	–	119,955
Right-of-use assets	38,538	38,574	16,413	(19,746)	35,241
Total intangible assets	**178,885**	**178,921**	**16,413**	**(19,746)**	**175,588**

F.2 Tangible property, plant and equipment

ACCOUNTING PRINCIPLES

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Property, plant and equipment is depreciated on a systematic basis in order to write down the costs of assets over their expected useful lives as follows:

	Fixed Link	Europorte
Tunnels	Concession *	
Land, construction, fixtures and fittings		Length of contract / 20 years
Terminals and related land:		
Freehold land	not depreciated	
Concession land	Concession *	
Landscaping	5 to 57 years	
Terminals	5 years to life of Concession *	
Fixed equipment and machinery:		
Fixed equipment	5 years to life of Concession *	
Fixtures and fittings	5 to 57 years	
Buildings	5 to 30 years	
Machinery and other equipment	5 to 30 years	
Industrial equipment		3 to 10 years
Rolling stock:		5 to 35 years
Vehicles	5 to 60 years	
Parts	5 to 40 years	
Office equipment:		3 to 10 years
Office equipment	3 to 10 years	
IT equipment	3 to 10 years	
Software	3 to 20 years	

* *The Concession expires in 2086.*

The expected useful lives of the assets are kept under review and revised when necessary, according to experience.

Concession property, plant and equipment whose useful life is greater than the duration of the Concession, is depreciated over the life of the Concession on a straight line basis.

Depreciation on assets whose useful life is less than the duration of the Concession ("renewable assets") is calculated on a straight line basis. As all property, plant and equipment will be written down to £nil at the end of the Concession in 2086, depreciation of the final renewal cost of renewable assets will be based on the residual duration of the Concession.

Costs directly attributable to the ElecLink project are capitalised and presented as "assets in course of construction" in the statement of financial position. They will be amortised from the date they are put into operation.

Subsidies on capital expenditure received during the year have been allocated to the asset to which they relate.

Measurement of fair value

The fair value of tangible property, plant and equipment acquired following a business combination is measured by taking the higher of the market value or the value in use.

F.2.1 Concession property, plant and equipment

In France, all immovable property, plant and equipment within the Concession area is the property of the French state and will revert to it on the expiry of the Concession period (2086). In the UK, the Government has required CTG to transfer to it the title to freehold land and property acquired for the purpose of construction and operation of the project and in exchange has granted leases for the duration of the Concession. On the expiry of the Concession, the interest of the Concessionaires in all movable property and intellectual property rights necessary for the operation of the Concession will become, without payment, the joint property of the two States.

€'000	**Assets in course of construction**	**Tunnels**	**Terminals and related land**	**Fixed equipment and machinery**	**Rolling stock**	**Office equipment**	**Total**
Cost							
At 1 January 2019	103,914	6,549,501	2,078,943	3,306,782	2,083,560	128,938	**14,251,638**
Additions	94,366	–	63	4,133	2,125	1,583	**102,270**
Transfers	(27,764)	–	5,237	14,139	1,745	6,643	**–**
Disposals	–	–	(635)	(3,588)	(242)	(2,512)	**(6,977)**
At 31 December 2019	**170,516**	**6,549,501**	**2,083,608**	**3,321,466**	**2,087,188**	**134,652**	**14,346,931**
Depreciation/impairment							
At 1 January 2019	–	3,378,088	1,166,576	2,200,975	1,466,298	111,625	**8,323,562**
Charged in the year	–	46,811	18,812	38,173	44,485	7,625	**155,906**
Transfers	–	–	–	–	–	–	**–**
Disposals	–	–	(510)	(1,990)	(190)	(2,504)	**(5,194)**
At 31 December 2019	**–**	**3,424,899**	**1,184,878**	**2,237,158**	**1,510,593**	**116,746**	*** 8,474,274**
Net book value							
At 1 January 2019	103,914	3,171,413	912,367	1,105,807	617,262	17,313	**5,928,076**
At 31 December 2019	**170,516**	**3,124,602**	**898,730**	**1,084,308**	**576,595**	**17,906**	**5,872,657**
Cost							
At 1 January 2018	88,581	6,549,501	2,070,302	3,305,587	2,077,338	121,222	**14,212,531**
Additions	49,456	–	1,952	7,559	4,308	3,591	**66,866**
Transfers	(34,123)	–	6,785	4,980	15,574	6,784	**–**
Disposals	–	–	(96)	(11,344)	(13,660)	(2,659)	**(27,759)**
At 31 December 2018	**103,914**	**6,549,501**	**2,078,943**	**3,306,782**	**2,083,560**	**128,938**	**14,251,638**
Depreciation/impairment							
At 1 January 2018	–	3,331,278	1,148,118	2,175,352	1,436,715	107,893	**8,199,356**
Charged in the year	–	46,810	18,528	37,454	41,179	6,343	**150,314**
Transfers	–	–	–	(31)	31	–	**–**
Disposals	–	–	(70)	(11,800)	(11,627)	(2,611)	**(26,108)**
At 31 December 2018	**–**	**3,378,088**	**1,166,576**	**2,200,975**	**1,466,298**	**111,625**	*** 8,323,562**
Net book value							
At 1 January 2018	88,581	3,218,223	922,184	1,130,235	640,623	13,329	**6,013,175**
At 31 December 2018	**103,914**	**3,171,413**	**912,367**	**1,105,807**	**617,262**	**17,313**	**5,928,076**

* *Including exceptional depreciation of property, plant and equipment related to impairment tests performed in 2003, 2004 and 2005.*

F.2.2 Other property, plant and equipment

€'000	Assets in course of construction	Land, construction, fixtures and fittings	Industrial equipment	Rolling stock	Office equipment	Total
Cost:						
At 1 January 2019	474,377	1,400	3,921	105,769	7,197	**592,664**
Additions	138,486	54	606	1,370	1,120	**141,636**
Transfers	(878)	–	13	346	519	**–**
Disposals	–	–	(165)	(1,310)	(27)	**(1,502)**
At 31 December 2019	**611,985**	**1,454**	**4,375**	**106,175**	**8,809**	**732,798**
Depreciation:						
At 1 January 2019	–	673	1,734	34,663	5,336	**42,406**
Charged in the year	–	72	302	4,686	901	**5,961**
Transfers	–	–	–	–	–	**–**
Disposals	–	–	(139)	(1,267)	(27)	**(1,433)**
At 31 December 2019	**–**	**745**	**1,897**	**38,082**	**6,210**	**46,934**
Net book value:						
At 1 January 2019	474,377	727	2,187	71,106	1,861	**550,258**
At 31 December 2019	**611,985**	**709**	**2,478**	**68,093**	**2,599**	**685,864**
Cost:						
At 1 January 2018	260,017	1,318	3,766	104,639	6,311	**376,051**
Additions	215,369	53	219	593	509	**216,743**
Transfers	(1,009)	29	26	561	393	**–**
Disposals	–	–	(90)	(24)	(16)	**(130)**
At 31 December 2018	**474,377**	**1,400**	**3,921**	**105,769**	**7,197**	**592,664**
Depreciation:						
At 1 January 2018	–	614	1,485	29,950	4,473	**36,522**
Charged in the year	–	59	299	4,737	868	**5,963**
Transfers	–	–	2	(2)	–	**–**
Disposals	–	–	(52)	(22)	(5)	**(79)**
At 31 December 2018	**–**	**673**	**1,734**	**34,663**	**5,336**	**42,406**
Net book value:						
At 1 January 2018	260,017	704	2,281	74,689	1,838	**339,529**
At 31 December 2018	**474,377**	**727**	**2,187**	**71,106**	**1,861**	**550,258**

At 31 December 2019, other property, plant and equipment totalling €686 million comprised:

- €605 million for the ElecLink project, most of which was included under "assets in course of construction", and
- €74 million for the Europorte segment most of which relates to rolling stock.

F.3 Impairment of property, plant and equipment

ACCOUNTING PRINCIPLES

In accordance with IAS 36, the carrying amounts of assets and groups of assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment.

In the Group each activity segment represents a cash-generating unit (CGU). In certain circumstances, the CGU may be made up of a single operating legal entity.

If any indication of impairment exists, an impairment test is carried out on assets with finite useful lives: the net book value of the asset is compared to its recoverable amount. The recoverable amount of assets is the greater of their market value and their value in use. The market value is determined by reference to studies carried out by independent experts.

The value in use of CGUs is calculated by discounting operating cash flows after taxation and capital expenditure incurred to replace assets as forecast in each of the CGU's business plan as validated by the Group's management as part of its operational management. The period covered by the business plan is five years. For Concession assets, cash flows are extrapolated on the basis of an assumption of growth over the residual duration of the Concession. For non-Concession assets, the extrapolation is complemented by a terminal value which is calculated on the basis of infinite free cash flows that continue to grow at a moderate rate limited to that of inflation. The discount rate retained is the WACC calculated per CGU at each year end. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Impairment losses on property, plant and equipment and intangible assets (excluding goodwill) may be reversed subsequently if the recoverable amount becomes higher than the carrying amount, up to the amount of the impairment loss initially recognised less any additional depreciation or amortisation that would have been recognised had no impairment loss been recognised.

F.3.1 Concession property, plant and equipment

At 31 December 2019, the Group did not identify any indication of impairment of its tangible Concession assets, but, in the context of uncertainty related to the modalities of the final implementation of Brexit, nevertheless carried out a valuation in order to ensure that the recoverable value of the assets remained higher than their net accounting value.

The valuation carried out at 31 December 2019 confirmed that the recoverable value of assets remained higher than their net accounting value on the basis of a discount rate of 5.60% (31 December 2018: 5.75%) and on the basis of revenue growth of approximately 2% for the period after the five year plan.

The Group also carried out a sensitivity analysis on reasonably possible changes to key assumptions (discount rate and revenue growth rate) of plus or minus 1% as well as changes in the exchange rate between sterling and euros of plus or minus €0.10. This analysis did not reveal a likely scenario which could lead to an impairment of Concession assets. The worst-case sensitivity analyses do not show any impairment of Concession assets as of 31 December 2019.

F.3.2 ElecLink property, plant and equipment

ElecLink's assets are composed of tangible assets in respect of construction works (see note F.2.2 above) and an intangible asset consisting of the operating license and the exemption (see note F.1 above). The interconnector is now due to start operating in mid-2021.

At 31 December 2019, the Group performed a test of value in use of the ElecLink CGU. This test, carried out in accordance with the rules and methods described above and applying WACC of 7.78% (the same as in 2018), confirms that the value in use of the ElecLink CGU's assets is greater than its carrying amount at 31 December 2019.

In performing the valuation tests, the Group used the best estimates available to it at the balance sheet date. The value-in-use test notably incorporates the contractual conditions of the exemption at the date.

In the context of the interconnector construction project detailed in note A.2, sensitivity analyses were carried out as at 31 December 2019 in order to measure changes in the main assumptions used that could lead to impairment, in particular the commissioning date and the level of revenues generated by the interconnector. These sensitivity analyses, even in the least favourable scenario (a delay of more than six months in the commissioning date and a 25% decrease in ancillary interconnector revenues) do not result in the recoverable amount of the investment being less than its carrying amount of €726 million at 31 December 2019.

However, in view of the ongoing construction of the ElecLink project and the current context, in particular in relation to Brexit, the assumptions on which these estimates are based are by their nature still uncertain and the actual results could be different from these estimates.

F.3.3 Europorte property, plant and equipment

At 31 December 2019, the Group did not identify any indication of impairment of its Europorte assets, but nevertheless carried out a valuation in order to ensure that their recoverable value remained higher than their net accounting value.

The valuation test carried out at 31 December 2019 confirms that the recoverable amount of the assets is higher than their net book value based on a discount rate of 8.09% and on an income growth rate of approximately 2% for the period after the five-year plan.

G. Financing and financial instruments

ACCOUNTING PRINCIPLES

Financial instruments

Financial assets

Classification and evaluation

In accordance with IFRS 9, financial assets are classified as financial assets at amortised cost, fair value through equity or at fair value through profit or loss depending on the nature of the instrument (debt or equity), characteristics of their contractual flows and how the entity manages its financial instruments (business model).

The business model of the entity represents the way in which financial assets are managed to generate cash flow. The exercise of judgment is necessary to appreciate the business model.

A financial asset is said to be "basic" if the contractual terms of the financial asset give rise, on specified dates, to cash flows corresponding solely to repayments of principal and interest calculated on the capital remaining due. The determination of the basic character is to be carried out for each financial asset, debt instrument, when it is initially recognised.

i. *Debt instruments measured at amortised cost*

A debt instrument is measured at amortised cost if it satisfies both of the following conditions:

- the asset is held as part of a business model for the purpose of collecting contractual cash flows, and
- the contractual terms of the financial asset define the latter as basic (SPPI) within the meaning of the standard.

Debt instruments at amortised cost are initially measured at fair value and then at amortised cost using the effective interest rate method. For short-term receivables with no stated interest rate, the fair value is treated as the amount of the invoice unless the interest rate has a significant impact.

Income accrued or acquired on debt instruments is recorded under "Finance income" using the effective interest rate method.

These instruments are subject to the IFRS 9 requirements for impairment.

Trade receivables fall into this category. This category also includes the inflation-linked G2 notes held by the Group in other non-current financial assets.

ii. *Debt instruments measured at fair value through equity*

A debt instrument is measured at fair value through equity only if it meets both of the following conditions:

- the asset is held as part of a business model whose objective is both the collection of contractual cash flows and the sale of financial assets, and
- the contractual terms of the financial asset define the latter as basic (SPPI) within the meaning of the standard.

Debt instruments at fair value through equity are initially recognised at fair value plus transaction costs. At the balance sheet date, they are measured at their fair value and changes in fair value are recorded in gains and losses recognised directly in equity (recyclable in profit or loss). The assets in foreign currencies being monetary, fair value for the currency component affects the result.

Income accrued or acquired on debt instruments is recorded under "Finance income" using the effective interest rate method.

These instruments are subject to the IFRS 9 requirements for impairment.

The Group does not hold debt instruments at fair value through equity.

iii. *Equity instruments measured at fair value through equity*

Equity instruments are recorded at fair value through profit or loss, except in the case of an irrevocable option for fair value measurement through non-recyclable equity (provided these instruments are not held for trading) without subsequent reclassification in profit or loss.

Equity instruments at fair value through equity are initially recognised at fair value plus transaction costs. Unrealised and realised impairment losses remain recognised in equity without ever affecting the result. These financial assets are not impaired. In the event of a sale, changes in fair value are not transferred to profit but directly to the consolidated reserves in equity. Only dividends affect the result if they correspond to a return on the investment. They are recorded under "Finance income". The fair value corresponds, for quoted securities, to a market price. For unlisted securities, it is determined by reference to recent transactions or by valuation techniques that incorporate reliable and observable market data.

The Group does not hold equity instruments at fair value through equity.

iv. *Financial assets measured at fair value through profit or loss*

All other financial assets are classified at fair value through profit or loss. These financial assets include financial assets held for trading, financial assets designated at fair value through profit or loss and non-basic assets. These assets are measured at fair value with changes in value recorded in profit or loss.

This category also includes derivative financial instruments (positive fair values).

When classified as current assets in cash equivalents, financial assets at fair value through profit or loss include, in particular, units of cash UCITS.

Impairment

Pursuant to the provisions of IFRS 9, financial instruments measured at amortised cost and debt instruments at fair value through equity are recognised, as at the date of first recognition, as a write-down for expected credit losses (Expected Credit Losses or ECL). Where the financial assets concerned have not been subject to objective indications of individual impairment losses, the depreciation for expected credit losses is evaluated on the basis of historical losses and reasonable and justifiable forecasts of future cash flows.

Financial instruments are divided into three categories according to the deterioration in credit risk observed since their initial recognition: S1 (no significant increase in credit risk), S2 (significant increase in credit risk) and S3 (credit risk proven). Each credit category has a specific credit risk assessment method: expected credit losses at 1 year for outstanding S1, credit losses expected at maturity for outstanding amounts of S2 and S3.

With regard to impairment, IFRS 9 provides for the possibility of adopting a simplified approach for trade receivables: impairment losses are determined on the basis of the expected loss at maturity and do not require monitoring of changes in the credit quality category of the receivable. The Group has adopted the simplified approach for trade receivables. Impairment losses are estimated based on an impairment matrix based on historical credit default rates over the expected life of the receivables.

Financial liabilities

Financial liabilities include, in accordance with IFRS 9:

i. *Borrowings*

Borrowings are recognised initially at fair value less transaction costs, and subsequently at amortised cost according to the effective interest rate method.

For financial liabilities that are at a fixed interest rate, interest costs are recognised at a constant interest rate until maturity of the debt using the effective interest rate method. The effective interest rate is the rate that exactly discounts all of the contractual cash flows due on the debt until its maturity. These cash flows are calculated on the basis of the estimated cash flows due on each instrument constituting the debt. The calculation takes into account the transaction related costs and all other premiums and discounts.

For financial liabilities that are at a variable interest rate, cash flows are periodically re-estimated to reflect changes in market interest rates, thereby changing the effective interest rate.

For financial liabilities that are at a fixed interest rate indexed to inflation, cash flows are periodically re-estimated to take account of actual fluctuations in the inflation rate, thereby changing the effective interest rate.

A substantial change in the terms of all or part of an existing financial liability is accounted for as an extinguishment of the original liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, differs by at least 10% of the discounted present value of the remaining cash flows of the original financial liability. If a modification of terms is accounted for as an extinguishment, any costs or unamortised fees are recognised in the income statement on the extinguishment. The amendment to IFRS 9 of 12 October 2017 clarified the treatment under IFRS 9 of changes in liabilities recognised at amortised cost, in the event that the change does not result in derecognition: the gain or loss resulting from the difference between the original cash flows and the modified cash flows discounted at the original effective interest rate should be recorded in profit or loss.

ii. *Interest rate hedging instruments*

All the derivative instruments are designed to hedge exposure to interest rate risk. They are measured at market value and are used as cash flow hedges.

Cash flow hedges: the derivative instruments designed to hedge the floating rate element of the debt are accounted for as cash flow hedges. The portion of the gains and losses arising from changes in the fair value that is deemed to be an effective hedge is taken directly to equity until the underlying transaction is recognised in the Group's financial statements. The portion deemed ineffective is accounted for in the income statement for the period. The gains and losses included in equity are recycled to the income statement in the period when the hedged item affects the income statement. The interest rate hedging instruments described in note G.1.2.c on financial liabilities, meet the criteria set out in IFRS 9 and are therefore accounted for as cash flow hedges.

Net gains or net losses on each category of financial instrument

Interest income and charges recognised in profit or loss include:

- Interest on the financial assets and liabilities accounted for at amortised cost and at fair value through equity (debt instruments) using the effective interest rate method. The calculation of the effective interest rate includes all commissions and margins payable or receivable between the contracting parties which are an integral part of the effective interest rate, and all transaction costs and all other premiums and discounts. The transaction costs are the marginal costs directly attributable to the acquisition, issue or disposal of a financial asset or liability.
- Changes in the fair value of derivatives categorised as hedges (for the ineffective portion).

G.1 Description of the loans

G.1.1 Senior Secured Notes issued as Green Bonds

Getlink SE issued €550 million 3.625% Senior Secured Notes (the "Notes") on 3 October 2018. The Notes are listed on the Official List of the Irish Stock Exchange (trading as Euronext Dublin) and are admitted to trading on the Global Exchange Market thereof. The Notes align with the June 2018 version of the International Capital Markets Association's Green Bonds Principles and are therefore considered "green" bonds.

The Notes are governed by an English law trust deed (the "Trust Deed") between Getlink SE and BNY Mellon Corporate Trustee Services Limited, as trustee for the holders of the Notes.

The Notes are due on 1 October 2023 and interest thereon is payable semi-annually in arrears on 30 June and 30 December of each year, commencing on 30 December 2018.

Pursuant to the Trust Deed, €19,940,000 was paid into a Debt Service Reserve Account (DSRA) as can be seen in note G.7 below.

The fees directly attributable to the transaction amounting to €21 million are amortised over the life of the Notes. The effective interest rate of the Notes is 4.51%.

As at 31 December 2019, the Notes are rated BB (negative outlook) by S&P and BB+ (stable) by Fitch.

Permitted use of proceeds

The Trust Deed allows the Group to use the net proceeds of the offering of the Notes to refinance the £190 million external loan of Eurotunnel Agent Services Limited, finance capital expenditure in relation to ElecLink and finance other eligible "green" assets.

In accordance with its Green Bond Framework, Getlink will prepare and publish a Green Bond Report within one year of the inaugural Green Bond issuance and annually thereafter until full allocation of the amount equal to the net proceeds of the green issuance. This report will provide information on the allocation and environmental impact of the Green Bonds issued.

Security and ranking

The Trust Deed is subject to an English law intercreditor agreement (the "Intercreditor Agreement") between, *inter alios*, Getlink SE and BNY Mellon Corporate Trustee Services Limited, as security agent. The Notes are secured by first ranking liens (the "Notes Security") on (i) all shares in the capital of Eurotunnel Holding SAS and GET Elec Ltd; and (ii) a debt service reserve account set up by the Group.

The Notes:

- are general senior obligations of Getlink SE;
- rank *pari passu* in right of payment with any existing and future senior indebtedness of Getlink SE that is not expressly subordinated in right of payment to the Notes;
- are secured on an equal and rateable basis with certain other *pari passu* obligations of Getlink SE by a first priority lien on the Notes Security; provided, however, that pursuant to the terms of the Intercreditor Agreement, the proceeds of any collection, sale, disposition or other realisation of the Notes Security received in connection with the exercise of remedies will be applied first to repay any super senior liabilities prior to the Notes and any other *pari passu* obligations of Getlink SE;
- rank senior in right of payment to any existing and future subordinated indebtedness of Getlink SE;
- are effectively senior to any existing and future unsecured indebtedness of Getlink SE to the extent of the value of the Notes Security;
- are effectively subordinated to any existing and future indebtedness of Getlink SE that is secured by liens on property or assets that do not secure the Notes, to the extent of the value of such property or assets so securing such indebtedness; and
- are structurally subordinated to any existing and future indebtedness and other liabilities and commitments (including interest payables, trade payables and lease obligations) of Getlink SE subsidiaries (including the Term Loan).

Redemption

Optional redemption

The Notes may be redeemed at any time prior to 1 October 2020 at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and other additional amounts, if any, to the redemption date, plus the applicable "make whole" premium.

In addition, at any time prior to 1 October 2020, Getlink SE may redeem up to 40% of the aggregate principal amount of the Notes using the net cash proceeds of certain equity offerings, at the redemption price of 103.625% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and other additional amounts, if any, to the redemption date.

At any time on or after 1 October 2020, the Notes may be redeemed at a premium of 1.813% in 2020 or 0.906% in 2021, or without a premium after 2022.

The Notes may also be redeemed upon the occurrence of certain tax events.

Repurchase upon a change of control

If an event treated as a change of control occurs, then each holder of the Notes has the right to require that Getlink SE repurchase such holder's Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and other additional amounts, if any, to the date of purchase.

Mandatory redemption

If Getlink SE disposes of its shares in Eurotunnel Holding SAS to a third party in accordance with the requirements of law or a governmental authority, it shall apply the net cash proceeds of such disposal to redeem all outstanding Notes at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and other additional amounts, if any, to the date of purchase, provided that such net cash proceeds shall first be applied to repay the amounts outstanding under the Term Loan.

Covenants

The Trust Deed provides for certain covenants that are customary for this type of financing. These incurrence covenants are only tested upon the occurrence of an event, rather than on an on-going basis. Unless certain conditions are respected, certain prohibitions apply in relation to:

- The incurrence of additional debt: for example, additional debt can be incurred as long as, on a pro forma basis, the Group's (a) Total Net Leverage Ratio is equal to or less than (i) 8.5 to 1.0 until, and including, 30 June 2020 and (ii) 8.0 to 1.0 from, and including, 1 July 2020; and (b) Debt Service Cover Ratio (DSCR) is equal to or greater than 1.25 to 1.0. In addition, there are certain types of debt that can be incurred irrespective of whether there is ratio debt capacity at all. These include a €50 million super senior credit facility basket; a €100 million ElecLink Ltd debt basket; a €100 million Europorte SAS debt basket; and a €50 million basket to finance activities of Getlink SE or any of its subsidiaries. Further, certain types of indebtedness can be classified and reclassified among different eligible baskets.
- The making of certain restricted payments, including dividend payments and the purchase of treasury shares, subject to conditions including if there is an event of default or if the DSCR is less than 1.25.
- Other operations including the sale of assets, the granting of liens and the consummation of mergers.

As is customary for issuances of this type, there are a number of exceptions to the incurrence covenants that are aimed to ensure that the Group has sufficient flexibility to operate its business.

Events of default

The Trust Deed lists certain events of default, which permit the trustee or a certain percentage of holders to declare the Notes immediately due and payable. These events of default include:

- a failure to pay principal when due;
- a failure for more than 30 days to pay interest when due;
- a failure to comply with the merger covenant;
- a failure for more than 60 days after receipt of a notice from the trustee or holders of at least 25% of the aggregate principal amount of the Notes outstanding to comply with other covenants or agreements in the Trust Deed;
- a cross-acceleration or payment default under certain other indebtedness;
- a failure to pay certain final judgments;
- an impairment of Notes Security above a certain value; and
- certain customary bankruptcy and insolvency events of default.

G.1.2 Term Loan

During its financial restructuring in June 2007, the Group put in place long-term loans of £1.5 billion and €2 billion (collectively known as the "Term Loan"). This loan comprised tranches index-linked to inflation (tranche A), fixed rate tranches (tranche B) and variable rate tranches (tranche C) with maturities varying between 2041 and 2050. In August 2007, all the tranches of the loan were purchased by a debt securitisation vehicle created for the purpose by the lenders, Channel Link Enterprises Finance Plc (CLEF). Certain of the notes issued by CLEF as part of this securitisation were guaranteed by three monolines who, in return for their guarantee, received a commission over the life of the loans.

On 24 December 2015, the Group concluded an operation that led to the withdrawal of two of the three monolines from their roles as guarantors of the CLEF notes. This operation led to changes to the structure of the Term Loan and to certain of its terms, such as the division of the index-linked tranches in to six new tranches and the reduction in the contractual interest rate for some tranches by 0.6%. The fees incurred for this operation totalling €123 million (at the 2015 exchange rate) have been accounted for on the statement of financial position under "other financial liabilities". The remaining fees amounting to €38 million at 31 December 2019 will be paid over the remaining life of the tranche A loans (see note G.4 below).

On 6 June 2017, the Group completed the partial refinancing of its debt which consisted of the refinancing of the C tranches of the debt and the partial termination of the corresponding hedging contracts, the raising of additional debt of €602 million in order to finance the costs of the partial termination of the hedging contracts and other costs of the operation, and the redemption of the floating rate notes held by the Group on its statement of financial position as "Other financial assets". As a result of this operation, the structure and certain conditions of the Term Loan were modified, in particular the division of the C1 and C2 tranches into six new tranches, the reduction of annual interest payments of approximately €50 million and of financial charges to the income statement of approximately €7 million per year over the following five years as well as the decrease of the average annual cost of the Term Loan excluding indexation to below 4% over the same period.

The total cumulative contractual repayments (excluding repayments of the indexation on Tranche A) on the Term Loan made by the Group to 31 December 2019 amount to €268 million.

a) Structure of the Term Loan

The Term Loan put in place on 28 June 2007, as modified on 24 December 2015, 6 June 2017 and 13 April 2018, comprises the following elements at 31 December 2019:

		Nominal amount in			Interest rate		
Million	Currency	currency	EUR *	Rate	effective	contractual	Maturity
Tranche A1	GBP	284	334	Fixed rate linked to the UK All Items Retail Price Index published by the United Kingdom Office for National Statistics.	7.23%	2.89%	June 2018 - June 2042
Tranche A2	GBP	142	167		7.01%	2.89%	
Tranche A3	GBP	284	334		7.08%	3.49%	
Tranche A4	EUR	69	69	Fixed rate linked to the *indice des prix à la consommation hors tabac* published by the French Institut National de la Statistique et des Études Économiques.	5.50%	3.38%	June 2018 - June 2041
Tranche A5	EUR	139	139		5.49%	3.38%	
Tranche A6	EUR	139	139		5.58%	3.98%	
Tranche B1	GBP	325	382	Fixed rate	6.77%	6.63%	June 2013 - June 2046
Tranche B2	EUR	531	531	Fixed rate	6.33%	6.18%	June 2013 - June 2041
Tranche C1a **	GBP	350	411	Fixed rate to June 2029 then variable rate (LIBOR +5.78% including a contractual margin of 1.78% with an additional margin of 4%) covered by a fixed-rate swap of 5.26%.	3.14%	3.04%	June 2046 - June 2050
Tranche C1b	GBP	337	396	Fixed rate	3.90%	3.85%	
Tranche C2a **	EUR	425	425	Fixed rate to June 2022 then variable rate (EURIBOR +5.55% including a contractual margin of 1.55% with an additional margin of 4%) covered by a fixed-rate swap of 4,90%.	1.94%	1.76%	June 2041 - June 2050
Tranche C2b **	EUR	528	528	Fixed rate to June 2027 then variable rate (EURIBOR +5.90% including a contractual margin of 1.90% with an additional margin of 4%) covered by a fixed-rate swap of 4,90%.	2.79%	2.71%	
Tranche C2c	EUR	83	83	Fixed rate	3.79%	3.75%	
Tranche C2d	EUR	140	140	Fixed rate	3.79%	3.75%	
Total			**4,078**		**4.85%**		

* *Nominal amount excluding impact of effective interest rate and inflation indexation and at the exchange rate at 31 December 2019 (£1=€1.175).*

** *The contractual interest rates for C1a, C2a and C2b are respectively LIBOR +5.78% from June 2029, EURIBOR +5.55% from June 2022 and EURIBOR +5.90% from June 2027. From these dates, the effective interest rates for C1a, C2a and C2b with hedging are respectively 6.72%, 8.64% and 6.95%.*

The effective rate of interest includes costs directly attributable to the debt. The effective rate of the A tranches also includes the impact of the indexation of the nominal value. The transaction costs used for the determination of the effective interest rate at 31 December 2019 correspond to:

- the issue costs of the Term Loan in 2007 remaining to be amortised amounting to €27 million,
- the fees for the renegotiation of the A tranches completed in December 2015 remaining to be amortised amounting to €95 million,
- the costs of the refinancing transaction on the C tranches in June 2017 remaining to be amortised amounting to €14 million, and
- the issue costs of the Senior Secured Notes in October 2018 remaining to be amortised amounting to €16 million.

These costs relate mainly to financing, legal and bank fees.

b) Principal provisions of the Term Loan

Undertakings and prohibitions under the Term Loan

The Term Loan provides for a number of undertakings and prohibitions which are customary for this type of financing. These relate to:

- the creation of new or the continuation of existing guarantees on the assets of the Eurotunnel Holding SAS sub-group ("Eurotunnel"). As Eurotunnel Holding SAS replaced Getlink SE as parent under the Term Loan on 13 April 2018, the securities initially granted by Getlink SE were released and new securities, relating to the same assets, were granted by Eurotunnel Holding SAS on 13 April 2018;
- to the transfer of Eurotunnel's assets and to the acquisition by Eurotunnel of new assets;
- to the granting of loans, guarantees or warranties to third parties; and
- the amendment of contracts which were conditions precedent for utilisation of the loans under the Term Loan, including inter alia the Railway Usage Contract.

In relation to the Term Loan, Eurotunnel must respect two financial ratios, only the first of which (see section on “Event of default and acceleration” below), if not met, would constitute an event of default. The second ratio is the lower of the ratio of operating cash flow to the total debt service on the Term Loan including the additional margin applied to tranche C of the debt since 2012 and the ratio of operating cash flow to the total debt service on the Term Loan taking into account the hypothetical amortisation on the Term Loan and on the basis of a rolling 12 month period prior to the date of the test. Eurotunnel is required to ensure that at each six-monthly test date since 31 December 2007, this ratio is not less than 1.25. Failure to meet this ratio on a six-monthly testing date would lead to restrictions on the use of the Eurotunnel’s excess available cash flow on the date of the next interest payment on the Term Loan until such time as the test is met once again. These restrictions include, in particular, the ability of Eurotunnel to pay dividends and to finance new activities. Failure to meet this test on three consecutive six monthly testing dates would trigger a prepayment event, under which the Eurotunnel’s excess available cash flow would have to be used towards prepayment of the Term Loan until the testing date on which the ratio is met once again.

Voluntary prepayment of the Term Loan

Clause 7.2 of the credit agreements provide for voluntary prepayments to be made on the Term Loan for a minimum amount of £5 million or €7.5 million, without penalties but subject to the payment of certain market standard prepayment premia.

Guarantees and security relating to the Term Loan

Guarantees:

Under the Intercreditor Deed, Eurotunnel’s main companies each jointly and severally guarantee the obligations of FM and CTG as borrowers of the Term Loan vis-à-vis the lenders, the arrangers and the hedging counterparties of the Term Loan.

Security granted by Eurotunnel under French law:

- assignment of trade receivables by way of security under which (i) FM assigns the receivables held by it under the Concession Agreement and the Railways Usage Contract as well as its trade receivables held by it against the freight transporters and coach operators, its insurance receivables and the intercompany receivables held by it against the French companies of Eurotunnel, (ii) CTG assigns the same categories of receivables as FM with the exception of trade receivables owed by the freight transporters and coach operators and (iii) other members of the Eurotunnel sub-group qualifying as guarantors assign their insurance receivables and intercompany receivables held against Eurotunnel’s French companies;
- unregistered mortgages over FM’s main real estate assets that are not the subject of short-or medium-term development projects;
- a registered pledge over FM’s rolling stock;
- a pledge on all bank and investment accounts open in France under the name of any borrower or guarantor of the Term Loan;
- a pledge on shares in the Eurotunnel sub-group members held by the borrowers or guarantors of the Term Loan;
- a pledge on the main Eurotunnel trademarks;
- a pledge on receivables held by FM under certain pieces of land comprised in the “ZAC 1” and which is the subject of long term construction leases (*baux à construction*);
- a pledge on receivables held by Eurotunnel against FM pursuant to the bonds facility agreement dated 28 June 2007 (as amended on 29 August 2007) and entered into, *inter alia*, between Eurotunnel as lender and FM as borrower; and
- a pledge over their rights held in connection with the GIE (*groupement d’intérêt économique*) by Eurotunnel Holding SAS, FM, CTG and Eurotunnel SE.

Security granted by Eurotunnel under English law:

The main Eurotunnel companies grant security over all of their assets held at the date of execution of the Term Loan as well as over their future assets and over certain of their contractual rights.

Security over the other Eurotunnel assets:

All of the shares of Eurotunnel member companies that are not subject to security as described above are pledged by way of security for the obligations of the borrowers under the Term Loan and guarantors under the Intercreditor Deed.

Event of default and acceleration

The Term Loan contains a number of events of default which, in certain instances subject to grace periods, permit the lenders to declare the Term Loan immediately due and payable, to enforce the security, and/or to demand the implementation of the substitution mechanism provided for under the terms of the Concession.

The events of default include:

- any non-payment under the Term Loan;
- a failure to comply with any provision of the Term Loan, the Intercreditor Deed or related documents. These provisions impose restrictions on, among other things, indebtedness, acquisitions, disposals and other transfers, mergers, borrowings, and the granting of guarantees and new security by the companies of Eurotunnel, and include, in particular:
  - a financial covenant which requires Eurotunnel to ensure that at each six-monthly test date after 31 December 2007, a ratio of operating cash flow to total debt service on the Term Loan is not less than 1.10, such ratio being calculated by reference to a rolling 12 month period preceding the testing date; and

- certain undertakings and representations relating to the tax treatment of Eurotunnel to the extent that a breach is reasonably likely to have a materially adverse effect on the financial position of FM, CTG or Eurotunnel;

- a representation or warranty is made or deemed to have been made by a borrower or a guarantor under the terms of the Term Loan, or any related finance document or any other document delivered by or on behalf of a borrower or an obligor under the terms of the finance documents (which contain representations and warranties that are customary for this type of document), which proves to have been incorrect or misleading at the time at which it was made or deemed to have been made;
- the occurrence of a cross default under any other indebtedness in excess of a specified amount of any of the companies within Eurotunnel;
- the inability of any borrower or guarantor to pay its debts as they fall due, the insolvency or the opening of any legal proceedings in relation to any borrower or guarantor under the Term Loan;
- the illegality or invalidity of the Term Loan, any related security or the subordination created under the Intercreditor Deed;
- Eurotunnel becoming permanently unable to carry on the business of operating the Tunnel, the destruction of the Tunnel, or the cessation of a material part of its business by a borrower or a guarantor;
- a guarantor ceasing to be a wholly-owned subsidiary of Eurotunnel Holding SAS;
- any act or omission of France or the United Kingdom which renders a borrower or guarantor under the Term Loan incapable of performing its obligations under the Term Loan and associated documents; and
- the occurrence of litigation (or similar proceedings) against a Eurotunnel member or its assets, which is reasonably likely (i) to be adversely determined against the relevant company and (ii) to have a material adverse effect on the financial condition of FM, CTG or Eurotunnel.

The Term Loan also includes other events of default which are customary for this type of financing.

c) Hedging instruments

In 2007, the Group put in place hedging contracts to cover its floating rate loans (tranches C1 and C2) in the form of swaps for the same duration and for the same value (EURIBOR against a fixed rate of 4.90% and LIBOR against a fixed rate of 5.26%). The nominal value of the cash flow hedging swap is €953 million and £350 million. These derivatives were partially terminated as part of the refinancing of tranche C in June 2017 as set out in note G.1.2 above.

These derivatives generated a charge of €56,884,000 in 2019 which was accounted for in the income statement (2018: charge of €56,723,000).

These derivatives have been accounted for at their fair value as liabilities on the statement of financial position as follows:

€'000	31 December 2018	* Changes in market value	Exchange difference	31 December 2019
Contracts in euros	545,456	241,226	–	786,682
Contracts in sterling	202,942	54,944	10,431	268,317
Total	**748,398**	**296,170**	**10,431**	**1,054,999**

* *Recorded directly in equity.*

The negative amount of the cash flow hedge reserve has changed as follows:

€'000	31 December 2018	Recycling of partial termination June 2017	Change in the ineffective portion	Changes in market value	Exchange difference	31 December 2019
Contracts in euros	796,804	(41,593)	(5,539)	241,226	–	990,898
Contracts in sterling	359,869	(15,291)	(28)	54,944	18,022	417,516
Total	**1,156,673**	**(56,884)**	**(5,567)**	**296,170**	**18,022**	**1,408,414**

The amount transferred from the cash flow hedge reserve to the income statement in 2019 is €56,884,000.

In accordance with IFRS 13, the Group takes into account credit risk (DVA) and counterparty risk (CVA) in the valuation of financial instruments. In practice, this recommendation particularly affects the valuation of derivatives to the extent that they are measured at fair value including a probabilistic weighting of estimated cash flows.

In the case of a default by the Group, counterparties to the hedging contracts have priority over all holders of debt and securities and guarantees granted to holders of debt under the Concession Agreement and the Intercreditor Deed. In this respect, the Group believes that the risk of loss for the counterparties in the event of default is insignificant and therefore has not recorded a discount to the fair value of hedging instruments under the DVA.

The table in note G.10.2 below gives the periods in which the cash flows associated with the derivatives are expected to occur, and the periods in which the amounts initially recognised in equity are expected to impact the income statement.

G.1.3 Other loans

Europorte loan

The Europorte loan amounting to €12.6 million at 31 December 2018 represented a bank loan drawn by Europorte SAS in 2012 in order to finance the purchase of locomotives by its subsidiaries. The last instalment of this loan of €12 million due on 28 June 2019, was refinanced on this date by a new loan for the same amount. This new loan bears interest at a fixed rate of 2.51% and is repayable over a period of seven years.

G.2 Off-balance sheet commitments relating to financing

Commitments in respect of the Term Loan

Eurotunnel Holding SAS, FM, CTG, Eurotunnel SE, EFL, ESGIE, ESL and EurotunnelPlus Limited each jointly and severally guarantee the obligations of FM and CTG in relation to the Term Loan. In order to guarantee these obligations, these companies have granted security as described in note G.1.2 above.

G.3 Financial liabilities

The movements in financial liabilities during the year were as follows:

€'000	31 December 2018 published	31 December 2018 restated*	Reclass-ification	Drawdown	Repayment	Interest, indexation and fees	31 December 2019
Senior Secured Notes (note G.1.1)	529,577	529,577	–	–	–	4,286	533,863
Term Loan (note G.1.2)	4,217,050	4,329,274	(54,463)	–	–	33,436	4,308,247
Europorte loan (note G.1.3)	12,025	12,025	(1,398)	12,025	(12,025)	–	10,627
Total non-current financial liabilities	**4,758,652**	**4,870,876**	**(55,861)**	**12,025**	**(12,025)**	**37,722**	**4,852,737**
Term Loan	49,526	50,912	54,463	–	(51,386)	442	54,431
Europorte loan	530	530	1,398	–	(996)	–	932
Accrued interest on loans:							
Term Loan	5,038	5,173	–	–	–	(23)	5,150
Total current financial liabilities	**55,094**	**56,615**	**55,861**	**–**	**(52,382)**	**419**	**60,513**
Total	**4,813,746**	**4,927,491**	**–**	**12,025**	**(64,407)**	**38,141**	**4,913,250**

* *The financial liabilities at 31 December 2018 (calculated at the year-end exchange rate of £1=€1.118) have been recalculated at the exchange rate at 31 December 2019 (£1=€1.175) in order to facilitate comparison.*

G.4 Other financial liabilities

€'000	31 December 2019	31 December 2018
Fees on financial operations	32,306	36,181
IFRS 16 lease obligations	18,047	21,025
Total non-current	**50,353**	**57,206**
Fees on financial operations	16,960	17,833
IFRS 16 lease obligations	17,364	18,041
Total current	**34,324**	**35,874**

As explained in note G.1.2 above, the fees for the financial operation concluded in December 2015 amounting to a total of €123 million (at the 2015 exchange rate) will be paid over the life of tranche A of the Term Loan. Short-term fees on financial operations also include expenses incurred for the issuance of the Senior Secured Notes in 2018 amounting to £10 million.

G.5 Net finance costs

€'000	2019	2018
Finance income	2,640	1,733
Total finance income	**2,640**	**1,733**
Interest on loans before hedging: Term Loan and other	(166,541)	(166,838)
Amortisation of hedging costs	(56,884)	(56,723)
Interest on loans: Getlink	(19,943)	(7,922)
Interest on loans: Europorte	(416)	(577)
Capitalisation of interest on the ElecLink project	21,637	14,921
Effective rate adjustment	(11,257)	(8,496)
Sub-total	**(233,404)**	**(225,635)**
Inflation indexation of the nominal	(26,099)	(45,356)
Total finance costs	**(259,503)**	**(270,991)**
Total net finance costs	**(256,863)**	**(269,258)**

The inflation indexation of the nominal reflects the effect of the levels of UK and French inflation rates in the year on the calculation of the nominal amount of tranche A of the Term Loan as described in note G.1.2 above.

Information relating to financial liabilities and hedging instruments is presented in note G.1.2.c above.

G.6 Other financial income and (charges)

€'000	2019	2018
Unrealised exchange gains *	25,801	16,017
Other exchange gains	9,116	9,746
Interest received on notes held by the Group	10,131	9,310
Other	158	973
Other financial income	**45,206**	**36,046**
Financial charges arising from financial operations:		
Costs of refinancing operations	(4)	(1,740)
Costs of the acquisition of notes	(100)	(2,770)
Sub-total	**(104)**	**(4,510)**
Unrealised exchange losses *	(24,042)	(16,487)
Other exchange losses	(10,152)	(7,442)
Interest charges on IFRS 16 lease contracts	(1,163)	(1,699)
Hedging instruments: change in the ineffective portion	(5,567)	–
Other	(32)	(37)
Other financial charges	**(41,060)**	**(30,175)**
Total	**4,146**	**5,871**
Of which net unrealised exchange (losses)/gains	*1,759*	*(470)*

* *Mainly arising from the re-evaluation of intra-group debtors and creditors.*

G.7 Other financial assets

€'000	31 December 2019	31 December 2018
G2 notes	348,019	332,711
Other *	59,746	25,762
Total non-current	**407,765**	**358,473**
Accrued interest on G2 notes	210	199
Total current	**210**	**199**

* *Including €19,940,000 held in the DSRA in accordance with the terms of the Senior Secured Notes' Trust Deed (see note G.1.1 above) and €37,870,000 in guarantees paid to the national networks National Grid and RTE in relation to the ElecLink project.*

G2 inflation-linked notes

The G2 notes issued by CLEF and purchased from FMS by Eurotunnel Agent Services Limited (an English subsidiary of Getlink SE) are recorded at their fair value at the date of acquisition of £302 million. These notes are included in the category "Financial assets measured at amortised cost".

The G2 notes, which have a nominal value of £150 million indexed on UK inflation, correspond to the securitisation of tranche A2 of the Group's debt and have the same characteristics in terms of interest and maturity as the A2 tranche. The difference between the fair value of the G2 notes at their acquisition date and their nominal value indexed at the same date is being amortised to the income statement over the remaining term until their final maturity.

G.8 Cash and cash equivalents

€'000	31 December 2019	31 December 2018
Investments in €	49,522	146,190
Investments in £	186,490	188,621
Sub-total: cash equivalents	**236,012**	**334,811**
Cash at bank and in hand	288,495	271,721
Total	**524,507**	**606,532**

Cash equivalents represents short-term investments in certificates of deposit, deposit accounts and money market funds (see note G.10.5 below). At 31 December 2018 and 31 December 2019, none of these investments were unavailable for more than three months. These investments are included in the category "Assets measured at fair value through profit or loss".

G.9 Matrix of class of financial instrument and recognition categories and fair value

ACCOUNTING PRINCIPLES

Measurement of fair value

Trade and other receivables

The fair value of trade and other receivables is measured on the basis of their expected recoverable value.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities less than or equal to three months from date of acquisition which do not carry a significant risk of variation in value and which are used by the Group to manage short term commitments. Money market funds are evaluated at their market value at the end of the reporting period.

Financial instruments

Financial assets accounted for at their fair value are classified in accordance with the following levels of fair value:

- Level 1: fair value using quoted prices (unadjusted) observed in active markets for identical assets or liabilities.
- Level 2: fair value using data ("inputs") other than quoted prices included in level 1, which are observable for the asset or liability, either directly (in the form of price) or indirectly (determined from the price).
- Level 3: fair value from valuation techniques which rely completely or in part on non-observable data such as prices on an inactive market or the valuation on a multiples basis for non-quoted securities.

Derivative instruments

The fair value of hedging instruments is measured by discounting contractual future cash flows and integrating the credit risk (CVA) or the counterparty risk (DVA).

The table below presents the carrying amounts and fair values of financial assets and financial liabilities and their level in the hierarchy of fair value. It does not include information about the fair value of financial assets and financial liabilities that are not measured at fair value and for which the carrying amount is a reasonable approximation of fair value.

At 31 December 2019

€'000												
		Carrying amount							Fair value			
Class of financial instrument	Note	Assets at fair value through profit and loss	Financial assets at fair value through equity	Securities at amortised cost	Receivables at amortised cost	Hedging instruments	Liabilities at amortised cost	Total net carrying value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value												
Other non-current financial assets		–	–	–	–	–	–	**–**	–	–	–	**–**
Financial assets not measured at fair value												
Other current and non-current financial assets	G.7	–	–	407,975	–	–	–	**407,975**	–	–	410,942	**410,942**
Trade receivables	D.6	–	–	–	77,148	–	–	**77,148**	–	–	–	**–**
Cash and cash equivalents	G.8	524,507	–	–	–	–	–	**524,507**	524,507	–	–	**524,507**
Financial liabilities measured at fair value												
Interest rate derivatives	G.1.2.c	–	–	–	–	1,054,999	–	**1,054,999**	–	1,054,999	–	**1,054,999**
Financial liabilities not measured at fair value												
Financial liabilities	G.3	–	–	–	–	–	4,913,250	**4,913,250**	–	575,405	5,936,757	**6,512,162**
Other financial liabilities	G.4	–	–	–	–	–	84,677	**84,677**	–	–	–	**–**
Trade payables	D.7	–	–	–	–	–	191,114	**191,114**	–	–	–	**–**

Fair value of financial assets

Fair value of the G2 inflation-indexed notes

The fair value of the G2 notes as of 31 December 2019 has been estimated by applying the same methodology used on their initial recognition, namely the discounting of the future cash flows of the instruments by applying discounting factors derived from a zero-coupon curve and a credit spread determined from the spread of the C2 tranche of the Term Loan compared to the risk-free rate in the United Kingdom, i.e. a spread at 31 December 2019 of 165 basis points.

On this basis, the Group estimates the fair value of the G2 notes to be £299 million 31 December 2019, an amount equivalent to their accounting value.

Fair value of financial liabilities

Fair value of the Senior Secured Notes

As at 31 December 2018, the fair value of the notes issued by Getlink SE was estimated on the basis of discounting the future cash flows of the debt service and applying discounting factors deducted from a zero-coupon curve and a credit spread equivalent to their spread compared to the risk-free rate in France, i.e. a spread at 31 December 2018 of 435 basis points.

As at 31 December 2019, the fair value of the Senior Secured Notes has been estimated on the basis of observable data in an active OTC market. As a result, the fair value of the Senior Secured Notes has been transferred from level three to level two as at 31 December 2019. On this basis, the Group estimates the fair value of the Senior Secured Notes to be €575 million at 31 December 2019 compared to a carrying value of €534 million, i.e. 108% of their carrying value.

Fair value of the Term Loan

On 28 June 2007, the Group took out the Term Loan for £1.5 billion and €2 billion with a spread of 139 basis points. On 28 June 2012, the margin on the C1 and C2 tranches of the Term Loan was 339 basis points. This debt is accounted for at its amortised cost.

The Term Loan is not quoted or traded on an active financial market and it is particularly difficult to identify any observable market equivalents, taking into account the specificities and characteristics of the Term Loan and in particular its 30 to 40-year maturity profile (see note G.10.2 below).

The Term Loan is classified in fair value level three.

The fair value of the Term Loan as at 31 December 2019 is estimated on the basis of the discounting of the future cash flows of the debt service, and by applying discounting factors deducted from a zero-coupon curve and a credit spread determined from the spread of the C tranche of the debt compared to the risk-free rates, i.e. a spread at 31 December 2019 of 165 basis points in the United Kingdom and 182 basis points in France. This spread was corroborated against credit spreads observed in companies with the same rating as Eurotunnel and for a debt with a maturity of more than 30 years.

On this basis, the Group estimates the fair value of the Term Loan to be €5,937 million compared to a carrying value of €4,363 million at 31 December 2019. As an indication, if the rate used (including the credit spread) was 100 basis points higher, the fair value of the Term Loan would be approximately €764 million lower. The characteristics of the current funding agreements include any prepayment or refinancing operations on the Term Loan.

Fair value of the hedging instruments

The characteristics of the Group's hedging instruments and the estimate of their fair value as at 31 December 2019 are set out in note G.1.2.c above.

The fair value of the hedging instruments is calculated on the basis of mathematical models integrating the discounting of the contractual flows linked to these instruments based on observable market data, in particular forward rate curves. The discount rates are determined from zero-coupon curves.

Hedging instruments are classified in fair value level two.

The estimated fair value of the hedging instruments as determined by the Group is corroborated against the valuations provided by the financial counterparties.

The sensitivity analyses of the fair value of these instruments to changes in interest rates are set out in note G.10.3 below.

At 31 December 2018

€'000		Carrying amount							Fair value			
Class of financial instrument	**Note**	**Assets at fair value through profit and loss**	**Financial assets at fair value through equity**	**Securities at amortised cost**	**Receivables at amortised cost**	**Hedging instruments**	**Liabilities at amortised cost**	**Total net carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value												
Other non-current financial assets		–	–	–	–	–	–	**–**	–	–	–	**–**
Financial assets not measured at fair value												
Other current and non-current financial assets	G.7	–	–	358,473	–	–	–	**358,473**	–	–	358,167	**358,167**
Trade receivables	D.6	–	–	–	97,489	–	–	**97,489**	–	–	–	**–**
Cash and cash equivalents	G.8	606,532	–	–	–	–	–	**606,532**	606,532	–	–	**606,532**
Financial liabilities measured at fair value												
Interest rate derivatives	G.1.2.c	–	–	–	–	748,398	–	**748,398**	–	748,398	–	**748,398**
Financial liabilities not measured at fair value												
Financial liabilities	G.3	–	–	–	–	–	4,813,746	**4,813,746**	–	–	5,899,818	**5,899,818**
Other financial liabilities	G.4	–	–	–	–	–	93,080	**93,080**	–	–	–	**–**
Trade payables	D.7	–	–	–	–	–	191,368	**191,368**	–	–	–	**–**

G.10 Financial risks

G.10.1 Exchange rate exposure

Getlink SE prepares its consolidated accounts in euros. Fluctuations in the value of the sterling/euro rates have an impact on the value in euros of revenues, costs and financial income and costs, as well as on elements of the Group's reported assets and liabilities. By way of example and all else being equal and on the basis of accounting information at 31 December 2019, the table below presents the effect that a change of plus or minus 10% in the exchange rate would have on the main financial indicators.

€ million	2019				2018			
Variation in €/£ exchange rate	**Actual rate**	**Published**	**+10%**	**-10%**	**Actual rate**	**Published**	**+10%**	**-10%**
Revenue	1.140	1,085	1,131	1,039	1.128	1,079	1,125	1,034
Operating margin (EBITDA)	1.140	560	593	528	1.128	569	601	537
Pre-tax profit from continuing operations	1.140	156	181	132	1.128	129	147	111
Equity	1.175	1,639	1,448	1,830	1.118	2,006	1,792	2,220

Approximately half of the Group's revenues are denominated in sterling, whereas more than half of its operating expenses and capital expenditure are paid in euros.

The Term Loan is denominated in sterling for a total of £1.722 billion and in euros for a total of €2.054 billion at 31 December 2019. All the external financial instruments, which hedge the Term Loan, are denominated either in sterling or in euros. As a result, no exchange gain or loss can arise on revaluation of the external financial instruments. At 31 December 2019, the residual foreign exchange risk mainly relates to cash assets held in foreign currencies of €70 million and a liability on the revaluation of intra-Group receivables and payables of €37 million; a 10% change in the euro/sterling parity would result in unrealised exchange gains or losses of approximately €3 million.

The Group seeks to improve the match the currencies in which its revenues and costs are denominated and has used and will use currency hedging transactions to manage its foreign exchange risk where necessary.

G.10.2 Liquidity risk

The contractual maturity profile of the financial liabilities (including interest payments and excluding the impact of offset agreements) is as follows:

At 31 December 2019

In millions	Accounting value	Contractual cash flow	12 months or less	1-5 years	5-10 years	10-20 years	20-30 years	30-40 years
NON-DERIVATIVE FINANCIAL LIABILITIES								
Eurotunnel guaranteed GBP bank loans:								
Tranches A1 to A3 – GBP *	977	(2,178)	(56)	(244)	(378)	(1,109)	(391)	–
Tranche B1 – GBP	320	(801)	(23)	(93)	(116)	(231)	(338)	–
Tranches C – GBP **	681	(1,626)	(24)	(95)	(125)	(375)	(918)	(89)
Total in GBP	**1,978**	**(4,605)**	**(103)**	**(432)**	**(619)**	**(1,715)**	**(1,647)**	**(89)**
Eurotunnel guaranteed EUR bank loans:								
Tranches A4 to A6 – EUR *	347	(679)	(25)	(104)	(145)	(371)	(34)	–
Tranche B2 – EUR	526	(947)	(46)	(185)	(230)	(454)	(32)	–
Tranches C – EUR **	1,170	(2,831)	(30)	(162)	(295)	(728)	(1,537)	(79)
Total in EUR	**2,043**	**(4,457)**	**(101)**	**(451)**	**(670)**	**(1,553)**	**(1,603)**	**(79)**
Total Eurotunnel bank loans (expressed in EUR)	**4,368**	**(9,870)**	**(222)**	**(959)**	**(1,398)**	**(3,569)**	**(3,539)**	**(184)**
Europorte bank loans (expressed in EUR)***	11	(13)	(1)	(5)	(7)	–	–	–
Getlink notes (expressed in EUR)	534	(625)	(20)	(605)	–	–	–	–
Total borrowings (expressed in EUR)	**4,913**	**(10,508)**	**(243)**	**(1,569)**	**(1,405)**	**(3,569)**	**(3,539)**	**(184)**
DERIVATIVE FINANCIAL LIABILITIES								
GBP interest rate swaps used for hedging	228	(275)	–	–	(7)	(141)	(126)	(1)
EUR interest rate swaps used for hedging	787	(825)	–	(52)	(149)	(372)	(251)	(1)
Total interest rate swaps (expressed in EUR)	**1,055**	**(1,148)**	**–**	**(52)**	**(157)**	**(538)**	**(399)**	**(2)**
OTHER FINANCIAL LIABILITIES								
Renegotiation fees in GBP	29	(30)	(4)	(6)	(8)	(11)	(1)	–
Renegotiation fees in EUR	15	(16)	(13)	(1)	(1)	(1)	–	–
IFRS 16 lease contracts in GBP	2	(2)	(1)	(1)	–	–	–	–
IFRS 16 lease contracts in EUR	33	(33)	(16)	(16)	(1)	–	–	–
Total other financial liabilities (expressed in EUR)	**84**	**(87)**	**(38)**	**(28)**	**(12)**	**(14)**	**(1)**	**–**
Net cash flow after hedging (expressed in EUR)	**6,052**	**(11,742)**	**(281)**	**(1,649)**	**(1,573)**	**(4,120)**	**(3,939)**	**(186)**
SUPPLIERS AND OTHER CREDITORS								
In GBP	30	(30)	(30)	–	–	–	–	–
In EUR	160	(160)	(160)	–	–	–	–	–

* *Tranches A1 to A6 are indexed with inflation and are presented in the liquidity table on the basis of the Group's medium- and long-term budgetary assumptions.*

** *The C tranches that are at a variable rate of interest are presented in the liquidity table based on forecast long-term interest rates.*

*** *See note G.1.3 above.*

It should be noted that the maturities presented above relating to tranche A2 are fully covered by the maturity of G2 notes held by the Group and presented in note G.7 above. To hedge its maturities, the Group also holds short-term investments presented in cash equivalents.

At 31 December 2018

In millions	Accounting value	Contractual cash flow	12 months or less	1-5 years	5-10 years	10-20 years	20-30 years	30-40 years
NON-DERIVATIVE FINANCIAL LIABILITIES								
Eurotunnel guaranteed GBP bank loans:								
Tranche A1 to A3 – GBP*	977	(2,346)	(55)	(245)	(379)	(1,115)	(552)	–
Tranche B1 – GBP	322	(821)	(23)	(93)	(116)	(229)	(360)	–
Tranche C1 – GBP **	680	(1,677)	(24)	(94)	(118)	(382)	(788)	(271)
Total in GBP	**1,979**	**(4,844)**	**(102)**	**(432)**	**(613)**	**(1,726)**	**(1,700)**	**(271)**
Eurotunnel guaranteed EUR bank loans:								
Tranche A4 to A6 – EUR *	351	(710)	(24)	(101)	(142)	(365)	(78)	–
Tranche B2 – EUR	538	(992)	(46)	(185)	(230)	(454)	(77)	–
Tranche C2 – EUR **	1,169	(3,052)	(30)	(152)	(305)	(814)	(1,511)	(240)
Total in EUR	**2,058**	**(4,754)**	**(100)**	**(438)**	**(677)**	**(1,633)**	**(1,666)**	**(240)**
Total Eurotunnel bank loans (expressed in EUR)	**4,271**	**(10,170)**	**(214)**	**(921)**	**(1,362)**	**(3,563)**	**(3,567)**	**(543)**
Europorte bank loans (expressed in EUR)	13	(13)	(1)	(4)	(8)	–	–	–
Europorte bank loans (expressed in EUR)	530	(645)	(20)	(625)	–	–	–	–
Total borrowings (expressed in EUR)	**4,814**	**(10,828)**	**(235)**	**(1,550)**	**(1,370)**	**(3,563)**	**(3,567)**	**(543)**
DERIVATIVE FINANCIAL LIABILITIES								
GBP interest rate swaps used for hedging	182	(247)	–	–	–	(120)	(122)	(5)
EUR interest rate swaps used for hedging	545	(666)	–	(25)	(100)	(300)	(234)	(7)
Total interest rate swaps (expressed in EUR)	**748**	**(942)**	**–**	**(25)**	**(100)**	**(434)**	**(370)**	**(13)**
OTHER FINANCIAL LIABILITIES								
Renegotiation fees in GBP	34	(35)	(4)	(8)	(8)	(13)	(2)	–
Renegotiation fees in EUR	15	(16)	(13)	(1)	(1)	(1)	–	–
IFRS 16 lease contracts in GBP	2	(3)	(1)	(2)	–	–	–	–
IFRS 16 lease contracts in EUR	38	(39)	(18)	(20)	(1)	–	–	–
Total other financial liabilities (expressed in EUR)	**93**	**(97)**	**(37)**	**(32)**	**(11)**	**(16)**	**(2)**	**–**
Net cash flow after hedging (expressed in EUR)	**5,655**	**(11,867)**	**(272)**	**(1,607)**	**(1,481)**	**(4,012)**	**(3,939)**	**(556)**
SUPPLIERS AND OTHER CREDITORS								
In GBP	33	(33)	(33)	–	–	–	–	–
In EUR	162	(162)	(162)	–	–	–	–	–

* *Tranches A1 to A6 are indexed with inflation and are presented in the liquidity table on the basis of the Group's medium- and long-term budgetary assumptions.*

** *Tranches C1 and C2 that are at a variable rate of interest are presented in the liquidity table based on forecast long-term interest rates.*

In addition:

- the Trust Deed of October 2018 allows Getlink SE to raise additional debt subject to certain conditions as described in note G.1.1 above, and
- the credit agreements for the Term Loan allow, on condition that the debt service cover ratio is not less than 1.25, to apply for (i) a renewable credit line of up to €75 million, and (ii) a structurally subordinated unsecured additional credit line of up to £225 million (or equivalent in euros).

G.10.3 Interest rate risk exposure

The risk of an unfavourable movement in interest rates during the duration of the Term Loan is covered by the fact that the B tranches are at a fixed rate of interest, the A tranches which are indexed on inflation are at a fixed rate of interest, and the C tranches are at a fixed rate of interest (tranches C1a, C2a and C2b will revert to a variable rate of interest in 2029, 2022 and 2027 respectively but will be covered by fixed/variable rate hedging contracts). The Senior Secured Notes carry a fixed rate of interest. Short-term receivables and debts are not at risk from interest rate exposure.

The contractual cash flows associated with the swaps are paid simultaneously with the contractual cash flows of the variable rate loans and the amount deferred in equity is recognised in profit or loss over the period where the interest on the variable-rate debt affects the result.

An increase of 1% in rates would lead to a change in the portion accounted for in equity relating to the derivative instruments of €152 million. A decrease of 1% in rates would lead to a change in the portion accounted for in equity relating to the derivative instruments of €185 million.

G.10.4 Inflation risk

The inflation risk relates to the interest and the repayments of principal on the indexed tranches of the Term Loan (A1 to A6) denominated in pounds and euros. By way of example, a variation of 1% in the inflation rate would have an impact of €16 million on the amount of the principal of these tranches.

G.10.5 Credit risks

Credit risk represents the risk of financial loss to the Group in the event that a customer or counterparty to a financial instrument fails to honour its contractual obligations.

Trade receivables

The Group's exposure to customer credit risk arises from its customers in the United Kingdom and Eurozone countries, with the following exceptions:

- the Group's main customers, the Railways, accounted for 29% of the Group's revenue in 2019, and
- Passenger Shuttle car customers pay for their tickets in advance, in particular via the internet; consequently, the credit risk in relation to these customers is very limited.

The Group applies a credit policy which requires that every new customer is subject to a credit check before being able to benefit from the Group's standard credit terms. The Group's credit risk exposure to account customers is managed by means of continuous monitoring of their financial situation and of their outstanding debt in regard to their credit limits and payment terms.

Investments

The Group limits its exposure to credit risk by investing only in (i) term deposits and certificates of deposit with a maximum maturity of 12 months, and with counterparties with a short-term rating of at least P-1 and a long-term rating of at least A2 from Moody's, and (ii) money market funds with a long-term rating of AAA from S&P or Aaa from Moody's.

Funds invested by the Group in any one monetary SICAV or money market fund should not exceed £100 million per SICAV or fund in pounds sterling or €120 million per fund or SICAV in euros. Investments in short term deposits or certificates of deposit should not exceed £83 million or €100 million with any one bank group. In the event of an increase in euro liquidity, the Group may have to temporarily increase the limits with its two main retail banks to €140 million.

Credit risk exposure

The carrying value of the financial assets represents the maximum credit risk exposure. The maximum credit risk exposure at the end of the reporting period is as follows:

€'000	31 December 2019	31 December 2018
Financial assets	348,019	332,711
Trade receivables	77,148	97,489
Cash and cash equivalents	524,507	606,532
Total	**949,674**	**1,036,732**

The financial assets include the G2 notes (see note G.7 above).

H. Share capital and earnings per share

H.1 Share capital

H.1.1 Management of capital

The Group's policy is to maintain a solid capital base in order to retain the confidence of investors, creditors and of the market and to support the future development of the activity. Capital can include the share capital, share premium and retained earnings. The Board monitors return on equity and the level of dividends paid to shareholders.

The Group buys its own shares on the market. The timing of these purchases depends on the market price. These transactions are carried out as part of the share buyback programme of which the liquidity contract is part (see note H.1.3 below).

During the year, the Group has not changed its policy on the management of capital.

H.1.2 Share capital

€	31 December 2019	31 December 2018
550,000,000 fully paid-up ordinary shares each with a nominal value of €0.40	220,000,000.00	220,000,000.00
Category B fully paid-up preference shares each with a nominal value of €0.01	–	0.28
Category C fully paid-up preference shares each with a nominal value of €0.01	–	6.92
Category D fully paid-up preference shares each with a nominal value of €0.01	11.27	–
Total	**220,000,011.27**	**220,000,007.20**

During 2019:

- 28 category B preference shares issued under the 2014 programme of preference shares convertible into ordinary shares and 692 category C preference shares issued under the 2015 programme of preference shares convertible into ordinary shares were cancelled; and
- 1,127 category D preference shares issued under the 2018 programme of preference shares convertible into ordinary shares were issued.

The programmes of preference shares convertible into ordinary shares is described in note E.5.3 above.

H.1.3 Treasury shares

ACCOUNTING PRINCIPLES

Getlink SE shares held by the Group are accounted for at cost as a reduction in equity. Subsequent disposals are taken directly to equity and no profit or loss is recognised.

The movements in the number of own shares held during the year were as follows:

	Share buyback programme	Liquidity contract	Total
At 1 January 2019	14,834,926	420,000	**15,254,926**
Shares transferred to staff (free share schemes)	(1,714,194)	–	**(1,714,194)**
Exercise of stock options	(340,770)	–	**(340,770)**
Net purchase/(sale) under liquidity contract	–	(250,000)	**(250,000)**
At 31 December 2019	**12,779,962**	**170,000**	**12,949,962**

Treasury shares held as part of the share buyback programme approved by the General Meetings of shareholders and implemented by decisions of the Board of Directors are allocated, in particular, to cover share option plans and the grant of free shares.

As part of the 2019 share buyback program, Getlink SE has continued to implement the liquidity contract concluded with Oddo BHF on 18 May 2010. Under the terms of this contract, Getlink SE has mandated Oddo BHF to intervene on its behalf on the market in order to promote the liquidity of transactions and the stabilisation of price of Getlink SE's shares and to avoid price discrepancies not justified by market trends. In 2019, Getlink and Oddo BHF updated the liquidity contract to reflect changes in the regulations in force. The terms of the updated contract comply with the standard liquidity contract established by AMAFI (Association Française des Marchés Financiers). As of 31 December 2019, the balance of the liquidity contract included the following resources: 170,000 Getlink SE shares and €13,299,340.26 in cash. Based on a share price of €15.51 per share, this combined amount represents 0.19% of Getlink SE's outstanding share capital as of 31 December 2019.

H.1.4 Changes in equity

Dividend

On 18 April 2019, Getlink SE's shareholders' general meeting approved the payment of a dividend relating to the financial year ended 31 December 2018, of €0.36 per share. This dividend was paid on 28 May 2019 for a total of €193 million.

H.2 Earnings per share

H.2.1 Number of shares

	2019	2018
Weighted average number:		
– of issued ordinary shares	550,000,000	550,000,000
– of treasury shares	(14,056,414)	(15,689,634)
Number of shares used to calculate the result per share (A)	**535,943,586**	**534,310,366**
– effect of share options	222,284	341,284
– effect of free shares	2,286,839	2,918,944
– effect of preference shares	2,896,111	1,561,627
Potential number of ordinary shares (B)	**5,405,234**	**4,821,855**
Number of shares used to calculate the diluted result per share (A+B)	**541,348,820**	**539,132,221**

The calculations were made on the following bases:

- on the assumption of the exercise of all the options issued and still in issue at 31 December 2019. The exercise of these options is conditional on the criteria described in note E.5.1 above;
- on the assumption of the acquisition of all the free shares allocated to staff. Details of free shares are given in note E.5.2 above; and
- on the assumption of the acquisition of all the preference shares allocated to staff and still in issue at 31 December 2019. Conversion of these preference shares is subject to achieving certain targets and remaining in the Group's employment as described in note E.5.3 above.

H.2.2 Earnings per share

	2019	2018
Group share: profit/(loss)		
Net result (€'000) (C)	158,940	130,320
Basic earnings per share (€) (C/A)	**0.30**	**0.24**
Diluted earnings per share (€) (C/(A+B))	**0.29**	**0.24**
Continuing operations: profit/(loss)		
Net result (€'000) (D)	158,337	130,386
Basic earnings per share (€) (D/A)	**0.30**	**0.24**
Diluted earnings per share (€) (D/(A+B))	**0.29**	**0.24**
Discontinued operations: profit/(loss)		
Net result (€'000) (E)	603	(66)
Basic earnings per share (€) (E/A)	**–**	**–**
Diluted earnings per share (€) (E/(A+B))	**–**	**–**

H.3 Detail of consolidated reserves by origin

€'000	31 December 2019	31 December 2018
Hedging contracts	(1,408,414)	(1,156,673)
Share based payments and treasury shares	(85,531)	(101,949)
Retirement liability	(42,098)	(38,264)
Deferred tax	80,182	92,305
Retained earnings	780,769	843,464
Total	**(675,092)**	**(361,117)**

I. Income tax expense

ACCOUNTING PRINCIPLES

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities, for financial reporting purposes and the amounts used for taxation purposes, except as provided by IAS 12 "Income Taxes".

The tax rates used are those in effect at the end of the reporting period.

Net deferred tax is determined at the level of each tax group.

Deferred tax assets in respect of temporary differences are recognised only to the extent that it is probable that sufficient future taxable profits will be available against which the differences can be used, at the level of the tax entity.

Deferred tax assets in respect of tax losses are recognised according to the likelihood of their recoverability assessed on the basis of the Group's budget and medium-term plans. The assumptions in these plans used are the same as those used for testing the value of assets.

I.1 Effect on the income statement

I.1.1 Tax provisions of the Concession Agreement and other provisions

The Concession requires that the Group's Concessionaires (CTG and FM) share equally the cost price of the project and all revenues and costs relating to the operation of the Fixed Link between the British and French companies. Operating revenues and costs are recognised in the income statement of the partnership and are shared equally between the Concessionaires. Revenues and costs which do not relate to the operation of the Concession are not subject to these sharing arrangements.

Article 34 of the French Finance Act for 2019 (no. 2018-1317 of 28 December 2018) renewed the exclusion of financial expenses borne by concessionaires relating to assets acquired or built by them under a concession contract from the scope of the mechanism limiting the deductibility of financial expenses.

I.1.2 Tax accounted for through the income statement

€'000	2019	2018
Current tax:		
Income tax	(3,049)	(3,582)
Tax on dividends	–	34
Total current tax	**(3,049)**	**(3,548)**
Deferred tax	5,064	4,614
Total	**2,015**	**1,066**

The current tax charge relates to amounts paid or to be paid in the short term to the tax authorities for the year according to the rules in force in the different countries and specific conventions.

I.1.3 Reconciliation between the effective tax rate and the applicable tax rate

€'000	2019		2018	
Result for the continuing activities before tax		156,322		129,320
Theoretical tax charge	**34.43%**	**(53,822)**	**34.43%**	**(44,525)**
Impact of tax rates in foreign jurisdictions		15,154		11,348
Effect of permanent differences		(4,140)		(2,424)
Activation of previously unrecognised fiscal deficits		44,823		36,633
Tax on dividends and other		–		34
Income tax		**2,015**		**1,066**

For the French tax group at 31 December 2019, the tax proof has been prepared for the 2019 financial year on the basis of the tax rate in force of 34.43%. However, since the main reversals of temporary differences are planned beyond the period of application, the deferred tax on the French tax group was calculated taking into account the rates applicable between 2020 and 2024.

For the British tax group, in view of its not being fiscally profitable at 31 December 2018 or at 31 December 2019, deferred tax was calculated for the years 2020 to 2024 on the basis of the Group's estimates using the rates applicable between 2020 and 2024.

I.2 Effect on the statement of financial position

I.2.1 Deferred tax

			2019 impact on:			
€'000	At 31 December 2018 published	At 31 December 2018 recalculated	income statement	statement of financial position	other compre-hensive income	At 31 December 2019
Tax effects of temporary differences related to:						
Property, plant and equipment	154,722	143,941	(30,239)	–	–	**113,702**
ElecLink goodwill	(20,392)	(20,392)	–	–	–	**(20,392)**
Deferred taxation of restructuring profit	(352,353)	(352,353)	–	–	–	**(352,353)**
Hedging contracts	89,111	89,110	–	–	(12,724)	**76,386**
Other	7,208	7,171	1,769	–	602	**9,542**
Tax losses	332,062	344,219	33,534	–	–	**377,753**
Net tax assets/(liabilities)	**210,358**	**211,696**	**5,064**	**–**	**(12,122)**	**204,638**

Property, plant and equipment

The impact of taxation on property, plant and equipment corresponds mainly to the conditions relating to the deductibility of the Eurotunnel segment's depreciation costs in the French tax group (reintegration of impairment costs) and in the British tax group (profile of tax deductions in respect of depreciation, including capital allowances).

Deferred tax resulting from temporary differences on property, plant and equipment will reverse over the period until the end of the Concession in line with the profile of the Group's depreciation charges and taxable results.

Profit arising from restructuring

The financial restructuring in 2007 gave rise to profit in the consolidated accounts of €3,323 million. At 31 December 2019, the taxation of €1,364 million of this amount remains deferred within the French tax group. The taxation of this residual profit is dependent upon the repayment of a loan between the Concessionaires (FM and CTG) and Eurotunnel Holding SAS, which in turn is subordinated to the Term Loan which matures in 2050.

Hedging contracts

At 31 December 2019, the Group recognised in equity a deferred tax asset amounting to €76 million for future recycling to the income statement from the revaluation reserve for the hedging contracts that were partially terminated as part of the debt refinancing operation in 2017 (see note G.1.2 above).

Deferred tax in respect of tax losses

Deferred tax assets recognised in respect of carried forward tax losses within the French and British tax groups amount to €378 million at 31 December 2019 (€88 million for the French tax group and €290 million for the British tax group).

The recognition of these assets for each of the tax groups is based on:

- The forecasts of taxable profits derived from the Group's five-year business plan for its different activities; this plan is based on the same assumptions as those used in the impairment test of assets (see note F.3 above). On the basis of these forecasts in respect of taxable profits, the Group has recognised a deferred tax asset in respect of carried forward losses which are expected to be utilised in the next five years for both the French and British tax groups.
- The forecasts for use of carried forward losses to cover the reversal of temporary differences on the British tax group.

Other temporary differences, notably those relating to deferred tax assets on retirement liabilities, are mostly recognised on a five-year horizon.

I.2.2 Unrecognised deferred tax assets and liabilities

31 December 2019	Base			
€'000	Total	Recognised	Unrecognised	Unrecognised tax
Deductible temporary differences	3,083,721	1,974,052	1,109,669	243,326
Tax losses	6,009,746	2,044,926	3,964,820	888,406
Total assets	**9,093,467**	**4,018,978**	**5,074,489**	**1,131,732**
Temporary differences	3,099,648	3,099,648	–	–
Total liabilities	**3,099,648**	**3,099,648**	**–**	**–**
Net total	**5,993,819**	**919,330**	**5,074,489**	**1,131,732**

Unrecognised temporary differences correspond mainly to a deferred tax asset in respect of that part of the interest rate hedging contracts which have not been terminated whose reversal is expected beyond the recoverability horizon.

French carried forward tax losses

In France, the deficits can be carried forward indefinitely but their allocation to the profit recognised for a financial year is limited to a ceiling equal to €1 million plus an amount of 50% of the taxable profit for the financial year exceeding this first limit.

Getlink SE is the parent company of the consolidated tax group which it forms with all the Group's French subsidiaries.

At 31 December 2019, the cumulative tax losses of the tax group which can be carried forward indefinitely, after adjustments in 2019, amount to €2,718 million (31 December 2018: €2,748 million), consisting essentially of:

- cumulative tax losses which can be carried forward indefinitely of €847 million generated by the Getlink SE consolidated tax group since 1 January 2008 and chargeable to the taxable profits of the members of this group (31 December 2018: €855 million); and
- cumulative tax losses which can be carried forward indefinitely of €1,871 million (31 December 2018: €1,893 million) generated by the old TNU SA consolidated tax group. These deficits may only be applied to the taxable profits of FM and Europorte SAS.

Potential unrecognised tax assets in respect of the carried forward tax losses of the French tax group amount to €624 million (on a base of €2,409 million).

British carried forward tax losses

In England, the tax losses may be carried forward indefinitely but their allocation to the profit recognised for a financial year is limited to a ceiling equal to £5 million plus 50% of the taxable profit of the year exceeding this first limit. Tax losses carried forward from before 1 April 2017 are only attributable to the profits of the entity that generated them. Tax loss carryforwards arising after 1 April 2017 are chargeable to the profits of all entities of the British tax group.

At 31 December 2019, the tax losses carried forward for the British companies amounted to £2,775 million (31 December 2018: £2,735 million).

Potential unrecognised tax assets in respect of the carried forward tax losses of the British tax group amount to €264 million (on a base of €1,555 million).

J. Statutory auditors' fees for the 2019 financial year

Pursuant to the French ANC 2016-09 regulation, the table below shows the fees of the auditors included in the consolidated income statement for the financial year for the certification of the accounts as well as for other services.

	KPMG		Mazars	
€'000	Amount (pre-tax)	%	Amount (pre-tax)	%
Certification of individual and consolidated accounts and semi-annual limited review:				
Issuer	321	33%	213	24%
Controlled entities	477	50%	572	65%
Sub-total	**798**	**83%**	**785**	**90%**
Services other than the certification of accounts:				
Issuer	93	10%	21	2%
Controlled entities	70	7%	70	8%
Sub-total	**163**	**17%**	**91**	**10%**
Total	**961**	**100%**	**876**	**100%**

Services other than the certification of accounts provided to the consolidating entity relate to diligence on the non-financial performance statement (DPEF).

Services other than the certification of accounts provided to its controlled subsidiaries are as follows:

- statutory auditors' mission regarding the distribution of interim dividends; and
- audit of accounting statements.

K. Events after the reporting period

Nothing to report.

2.2.2 GETLINK SE PARENT COMPANY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019 AND THE STATUTORY AUDITORS' REPORT THEREON

CONTENTS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS *

Report of the statutory auditors on the annual parent company financial statements for the financial year ending 31 December 2019		92
Statement of financial position		95
Income statement		96
Notes to the financial statements		97
A.	Important events	97
B.	Accounting methods and policies	97
C.	Tangible assets	99
D.	Investments in subsidiary undertakings	99
E.	Group and associates	100
F.	Loans and debts to credit institutions	102
G.	Other liabilities	103
H.	Treasury shares	104
I.	Investments in securities and cash and cash equivalents	104
J.	Equity	104
K.	Provision for risks and charges	108
L.	Revenues from sale of services	108
M.	Cost transfers	109
N.	Purchases and external costs	109
O.	Staff numbers	109
P.	Income from investments in subsidiary undertakings	109
Q.	Interest and related income and charges	109
R.	Financial depreciation and provisions	110
S.	Exchange gains and losses	110
T.	Exceptional result	110
U.	Tax and fiscal situation	110
V.	Earnings per share and effect of dilution	111
W.	Related party transactions	112
X.	Statutory auditors' fees	112
Y.	Events after the reporting period	112

* *Getlink SE's parent company financial statements are prepared in accordance with French accounting standards.*

Report of the statutory auditors on the annual parent company financial statements for the financial year ending 31 December 2019

This is a translation into English of the statutory auditors' report on the financial statements of the company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Getlink SE for the year ended 31 December 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at 31 December 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (Code de déontologie) for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments and intra-group receivables

Identified risk

Equity investments, which are included in the balance sheet at 31 December 2019 for a net amount of €1,515 million, represent one of the most significant asset items. They are recognised at cost at the acquisition date and depreciated, if necessary, on the basis of their value in use, representing what the company would agree to pay for them if it had to acquire them. At 31 December 2019, the value of intra-group loans and receivables from the Group amounted to €2,696 million.

The value in use was estimated by management based on the various criteria described in note B.3 to the financial statements. As indicated in this note, value in use is estimated by management on the basis of various criteria (net assets, revalued net assets, discounted cash flows or external valuations).

The estimation of the value in use of these investments requires the use of management's judgment in selecting the items to be considered depending on the investments concerned, which may correspond to accounting items or forecast items (long-term business plan and economic conditions in the countries under consideration).

In this context and because of the uncertainties inherent to certain elements and in particular to the probability of the forecasts being achieved, we considered that the correct valuation of the equity investments, related receivables and provisions for risks represented a key audit matter.

Our answer

Our work consisted mainly in verifying that the estimate of value in use determined by management is based on an appropriate justification of the valuation method and the figures used.

So, we ensured that:

- the value in use of investments in Eurotunnel Holding SAS is assessed taking into account the Group's latest business plan for the Concession business;
- the value in use of investments in Europorte SAS is assessed taking into account the Group's latest business plan for the Europorte segment;
- the value in use of investments in Euro-TransManche Holding SAS is assessed on the basis of a net book asset;
- the value in use of all the equity investments is higher than their net book value.

Finally, our work also consisted in assessing the recoverability of intra-group loans and receivables.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment terms, required under Article D. 441-4 of the French Commercial Code (Code de commerce).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Getlink SE (formerly Groupe Eurotunnel SE) by the annual general meeting held on held on 9 May 2007.

As at 31 December 2019, audit firms KPMG Audit and Mazars were in the 13th year of total uninterrupted engagement.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the financial statements

Objectives and audit approach

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

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Statutory auditors, Paris La Défense, 26 February 2020

KPMG Audit
A division of KPMG S.A.

French original signed by:
Philippe Cherqui
Partner

Mazars

Francisco Sanchez
Partner

Statement of financial position

€'000	Note	31 December 2019 Gross	31 December 2019 Amortisation and impairment	31 December 2019 Net	31 December 2018 Net
ASSETS					
Tangible assets	C	1,212	184	1,028	172
Assets under construction	C	3,302	–	3,302	1,447
Investments in subsidiary undertakings	D	1,575,080	60,219	1,514,861	1,514,637
Loans	E.1	2,662,501	–	2,662,501	2,563,229
Treasury shares	H	68,216	–	68,216	83,745
Other	F	20,024	–	20,024	20,024
Fixed assets		**4,330,335**	**60,403**	**4,269,932**	**4,183,254**
Advances and deposits		3	–	3	17
Receivables from Government and other public bodies		5,201	–	5,201	17,033
Other receivables		–	–	–	762
Group and associates	E.3	23,053	–	23,053	30,039
Other financial assets	E.1	10,421	–	10,421	8,364
Investments in securities	I	119,861	–	119,861	211,457
Cash and cash equivalents	I	164,145	–	164,145	152,236
Current assets		**322,684**	**–**	**322,684**	**419,908**
Prepaid expenses		785	–	785	620
Deferred charges	F.2	16,137	–	16,137	20,423
Exchange adjustment asset		7,042	–	7,042	19,746
Total assets		**4,676,983**	**60,403**	**4,616,580**	**4,643,951**
LIABILITIES					
Share capital	J.1			220,000	220,000
Share premium	J.2			1,711,796	1,711,796
Legal reserve	J.2			22,422	22,422
Special reserve and other reserves	J.2			598,797	598,797
Retained earnings	J.2			190,067	182,749
Result for the year	J.2			164,897	200,332
Total equity and shareholders' funds				**2,907,979**	**2,936,096**
Provision for risk and charges	K			20,015	29,250
Financial liabilities	F.1			550,022	550,015
Group and associates	E.2			1,087,444	1,089,557
Trade payables				9,188	11,018
Tax and social security liabilities				4,166	6,992
Fixed asset trade payables and related accounts				1,458	643
Other liabilities	G			11,302	11,471
Debts *				**1,663,580**	**1,669,696**
Exchange adjustment liability				25,006	8,909
Total liabilities				**4,616,580**	**4,643,951**

* *More than one year with third parties: €550 million (2018: €550 million).*

The notes form an integral part of the annual financial statements.

Income statement

€'000	Note	31 December 2019	31 December 2018
Operating revenue			
Revenue from sale of services	L	22,690	23,268
Own work capitalised		181	117
Cost transfer	M	10,488	25,238
Other income		7	1
Total operating revenue		**33,366**	**48,624**
Operating expenses			
Purchases and external costs	N	(30,203)	(52,847)
Salaries and charges		(10,247)	(7,724)
Taxes		(757)	(656)
Depreciation		(4,435)	(1,094)
Provisions		(10,368)	(3,061)
Other expenses		(738)	(769)
Total operating expenses		**(56,748)**	**(66,151)**
Operating result		**(23,382)**	**(17,527)**
Financial income			
Income from investments in subsidiary undertakings	P	152,570	122,974
Interest and similar income	Q	41,634	33,544
Release of provisions	R	19,945	10,579
Exchange gains	S	5,755	7,992
Total financial income		**219,904**	**175,089**
Financial charges			
Depreciation and provisions	R	(7,017)	(23,998)
Interest and similar charges	Q	(27,677)	(14,659)
Exchange losses	S	(3,531)	(4,925)
Total financial charges		**(38,225)**	**(43,582)**
Financial result		**181,679**	**131,507**
Exceptional result	T	(2,663)	82,593
Tax	U	9,263	3,759
Net result for the year		**164,897**	**200,332**

The notes form an integral part of the annual financial statements.

Notes to the financial statements

Getlink SE, formerly Groupe Eurotunnel SE, is the Group's consolidating entity. Its registered office is at 3 rue La Boétie, 75008 Paris, France and its shares are listed on Euronext Paris and on NYSE Euronext London. The term "Getlink SE" refers to the holding company which is governed by French law. The term "Group" refers to Getlink SE and all its subsidiaries.

The main activities of the Group are the design, financing, construction and operation of the Fixed Link's infrastructure and transport system in accordance with the terms of the Concession (which will expire in 2086) by the Eurotunnel segment, the rail freight activity of the Europorte segment as well as the construction and operation (expected in mid-2021) of the 1GW electricity interconnector in the Tunnel. The maritime activity was discontinued in 2015.

Getlink SE provides various services to its subsidiaries such as administrative and financial management, corporate strategy and shareholder relations. In 2019, Getlink SE charged its subsidiaries €22.7 million for these services, of which €19.3 million was charged to Eurotunnel Holding SAS.

A. Important events

Brexit: the United Kingdom's exit from the European Union

Following the UK's decision to leave the European Union on 23 June 2016 and the triggering of Article 50 by the British government at the end of March 2017, the official date of exit of the United Kingdom from the European Union initially set at 29 March 2019 was initially postponed to 31 October 2019 and finally took place on 31 January 2020. The exit of the United Kingdom from the European Union at the end of January 2020 will be followed by a transition period ending, at the earliest, on 31 December 2020. In this context uncertainty remains as to the nature of the trade agreements which will be negotiated between the United Kingdom and the European Union.

The Group has seen the impact of this situation on its business in 2019, with the Truck market affected twice by stockpiling then destocking actions in the United Kingdom and by a certain reluctance to travel on the part of its Passenger customers. This situation was exacerbated by the actions taken by French customs officials between March and May 2019, then by strikes in France in December 2019.

During the period, the Group continued to implement its action and investment plan launched mid-2018 and designed to maintain the fluidity of its traffic post-Brexit, whatever the political or regulatory situation may be. The successive postponements of the official exit date from the United Kingdom have had no significant impact on this plan, which remains in force.

Getlink SE has taken account of this situation in the determination of the principal estimates and assumptions used in the preparation of its financial statements at 31 December 2019 as set out in note B.1 below.

B. Accounting methods and policies

The annual accounts have been prepared in accordance with the laws and regulations in force in France. Transactions recorded in the accounts are valued in accordance with the historical cost convention and the accounts are prepared on the going concern basis.

B.1. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the period. The Board periodically reviews its valuations and estimates based on its experience and various other factors considered relevant for the determination of reasonable and appropriate estimates of the assets' and liabilities' carrying value. Furthermore, the estimates underlying the preparation of these annual financial statements as at 31 December 2019 have been established in the context of the uncertainties concerning the final terms and conditions for the implementation of Brexit. Depending on the evolution of these assumptions, actual results may differ from current estimates.

The use of estimations concerns mainly the valuation of investments in subsidiary undertakings and of associated debts and loans (see note E below).

B.2. Valuation of intangible and tangible assets

Intangible and tangible fixed assets are valued at their acquisition cost. These do not include any share of financial expenses or overheads.

Fixed assets are amortised according to their economic lives as mentioned below:

Software	1 to 3 years
Machinery and other industrial equipment	5 to 10 years
IT equipment	5 years
Office equipment	5 years
Office furniture	5 to 10 years

B.3. Valuation of investments in subsidiary undertakings

Getlink SE assesses the value in use of its investments in subsidiary undertakings on the basis of several criteria, such as the net book value of the asset, the adjusted book value of the asset, the discounted net financing cash flows, or external evaluations. A depreciation of intra-group loans where applicable or a provision for impairment may be made when the net assets of the subsidiary undertaking is negative.

B.4. Investments in securities

Investments are stated in the statement of financial position at cost. If the market value is lower than the acquisition cost, a provision for depreciation is booked for the difference. "Investments in securities" and "Cash and cash equivalents" include any accrued interest due thereon.

B.5. Treasury shares

Getlink SE holds its own shares acquired as part of a share buyback programme and a liquidity contract.

Treasury shares which are reserved explicitly for a share option plan are accounted for as investments in securities at their purchase price.

In the absence of an explicit allocation to staff or to a share capital reduction, the shares purchased as part of the buyback programme are accounted for at cost in financial fixed assets.

Shares acquired as part of the liquidity contract, the aim of which is to reduce excessive volatility in Getlink SE's shares, are accounted for at cost in investments and the gain or loss on sale of these shares is calculated on a FIFO basis.

At the end of the financial year, these shares are valued on the average share price during the last month. A provision is made if this valuation is below the book value, except for those shares which are allocated to stock option plans, the free shares and shares that are to be cancelled.

B.6. Share-based payments

As part of the share option plan, Getlink SE makes a provision for risk and charges relating to share option grants as soon as it is probable that there will be an outflow of resources from the business in the future. When treasury shares are granted as part of a share option plan, a provision is made for the difference between the exercise price proposed to the beneficiaries and the net accounting value of the treasury shares granted.

B.7. Tax integration convention

Under the terms of the group tax integration convention, tax charges are recognised in the individual financial statements of consolidated companies, on a stand-alone basis. Any tax savings or losses realised by the Group are recognised immediately in the parent company's income statement for the financial year.

B.8. Provisions

Provisions are recognised when there exists a legal or constructive obligation stemming from a past event and when the future cash flows can be reliably estimated.

B.9. Conversion of receivables and payables denominated in foreign currencies

Receivables and payables denominated in foreign currencies are accounted for on the basis of the exchange rate on the date of the transaction, and are then re-valued at the rate prevailing at the end of the reporting period.

Unrealised exchange differences resulting from this revaluation are recorded in the cumulative translation reserve. A provision for risks and charges is recognised if the conversion shows unrealised losses.

B.10. Debt issuance costs

Debt issuance costs are amortised over the remaining term of the loan at a constant interest rate until maturity of the loan using the effective interest rate method. The effective interest rate is the rate used to discount all contractual payments due on the loan until maturity. These flows are calculated on the basis of the forecast flows due for each of the financial instruments constituting the financial loan. Expenses are presented as deferred charges and are amortised over the life of the loan.

C. Tangible assets

€'000	2019 Assets in course of construction	2019 Office equipment	2019 Total	2018 Assets in course of construction	2018 Office equipment	2018 Total
Cost						
At 1 January	1,447	225	**1,672**	293	8	301
Acquisitions	2,098	744	**2,842**	1,172	199	1,371
Transfers	(243)	243	**–**	(18)	18	–
Disposals	–	–	**–**	–	–	–
At 31 December	**3,302**	**1,212**	**4,514**	**1,447**	**225**	**1,672**
Depreciation						
At 1 January	–	53	**53**	–	1	1
Charged in the year	–	131	**131**	–	52	52
Disposals	–	–	**–**	–	–	–
At 31 December	**–**	**184**	**184**	**–**	**53**	**53**
Net book value						
At 1 January	1,447	172	**1,619**	293	7	300
At 31 December	**3,302**	**1,028**	**4,330**	**1,447**	**172**	**1,619**

D. Investments in subsidiary undertakings

At 31 December 2019, shares in subsidiary undertakings are analysed as follows:

€'000	Gross value at 31 December 2018	Investments	Gross value at 31 December 2019	Depreciation	Net accounting value at 31 December 2019
Centre International de Formation Ferroviaire de la Côte d'Opale (CIFFCO)	8,683	–	8,683	–	8,683
Cheriton companies	33	–	33	–	33
Europorte SAS	72,674	–	72,674	–	72,674
Euro-TransManche Holding SAS (ETMH)	89,000	–	89,000	60,219	28,781
Eurotunnel Holding SAS (ETH)	1,403,339	–	1,403,339	–	1,403,339
Eurotunnel Project SAS	1	–	1	–	1
Euro Immo GET SAS	1,350	–	1,350	–	1,350
Total	**1,575,080**	**–**	**1,575,080**	**60,219**	**1,514,861**

The key financial information for subsidiaries is presented in the following table:

	Revenue	Equity				Percentage of capital held		Carrying value of share (€'000)		
In thousands	(excluding tax)	Share capital	Other equity (excluding the result for the year)	Result for the year	Total equity	Directly	Directly and indirectly	Gross	Net	Security and guarantees given by the company
EASL £	–	–	(46,331)	7,177	**(39,154)**	100%	100%	–	–	n/a
EDL £	–	7,257	(11,615)	–	**(4,358)**	100%	100%	–	–	n/a
EMSL £	–	–	62	–	**62**	100%	100%	–	–	n/a
Entités Cheriton £	–	4	83	–	**87**	100%	100%	33	33	n/a
GET Elec £	–	–	(11,384)	542	**(10,842)**	100%	100%	–	–	n/a
Total in £	**–**	**7,261**	**(69,185)**	**7,719**	**(54,205)**			**33**	**33**	
ETH €	34,809	508,621	830,912	155,412	**1,494,945**	100%	100%	1,403,339	1,403,339	n/a
ETMH €	–	5,106	8,136	107	**13,349**	100%	100%	89,000	28,781	n/a
Europorte €	6,664	42,318	17,278	826	**60,422**	100%	100%	72,674	72,674	n/a
ET Project €	–	–	–	–	**–**	100%	100%	1	1	n/a
Euro Immo GET €	–	701	536	(13)	**1,224**	100%	100%	1,350	1,350	n/a
CIFFCO €	3,668	10	2,988	10	**3,008**	100%	100%	8,683	8,683	n/a
Total in €	**45,141**	**556,756**	**859,850**	**156,342**	**1,572,948**			**1,575,047**	**1,514,828**	

The value in use of the investments in subsidiary undertakings in Eurotunnel Holding SAS has been assessed taking into account the most recent business plan for the Concession's activity.

The value in use of the investments in subsidiary undertakings in Europorte SAS has been assessed taking into account the most recent business plan of its future activity and that of its subsidiaries.

The value in use of the investments in subsidiary undertakings in Euro-TransManche Holding SAS has been assessed on the basis of net book value. A write-back of impairment of €224,000 has been recorded as at 31 December 2019 which decreases the total impairment from €60,443,000 to €60,219,000.

The value in use of the investments in subsidiary undertakings in GET Elec Limited has been assessed taking into account the most recent business plan of its future activity and that of its subsidiary.

E. Group and associates

E.1. Other financial assets

€'000		31 December 2019	31 December 2018
Other non-current financial assets:			
Vendor Loan: Eurotunnel Holding SAS			
- In GBP	*	230,506	277,501
- In EUR	*	1,299,626	1,319,626
Sub-total		**1,530,132**	**1,597,127**
Intra-group loan: Eurotunnel Agent Services Limited		399,515	389,404
Intra-group loan: GET Elec Limited		732,854	576,698
Total		**2,662,501**	**2,563,229**
Other current financial assets:			
Accrued interest on loan to Eurotunnel Agent Services Limited		947	1,031
Accrued interest on loan to GET Elec Limited		9,474	7,333
Total		**10,421**	**8,364**

* *These receivables (totalling €1,530,132,000) are governed by the Master Intra-Group Debt Agreement as described in chapter 8 of the 2019 Universal Registration Document. This agreement is intended to harmonise (i) the rules for current accounts between Group companies, (ii) the interest rates of the various intra-group debts and (iii) where possible, the other conditions of these intra-group debts in order to facilitate the financial and accounting management of Group companies and to reflect the financial policy between the Group's companies.*

Vendor Loan

The Vendor Loan corresponds to the receivable due from Eurotunnel Holding SAS in respect of the transfer by Getlink SE on 13 April 2018 of the Amended Bond Debt, the NRS Redemption Premium Debts and the NRS Commission Loan as part of the Group's corporate reorganisation.

The Vendor Loan, which at 31 December 2019 had a nominal value of €1,300 million and £196 million, carries interest at EURIBOR +0.65% for the euro receivable and at SONIA +1.46% for the sterling receivable.

Intra-group loan: Eurotunnel Agent Services Limited

This loan was made by Getlink SE to its subsidiary Eurotunnel Agent Services Limited as part of the acquisition of the G2 inflation-indexed notes.

The loan carries annual interest of 0.47%. Unrealised foreign exchange gains and losses are recorded in the balance sheet as a translation adjustment asset or a translation adjustment liability.

Intra-group loan: GET Elec Limited

Following the acquisition of 100% of ElecLink Limited by the Group in August 2016, Getlink SE concluded a loan agreement with its subsidiaries GET Elec Limited and ElecLink Ltd on 10 July 2017. This intra-group loan, which incorporated the shareholder advances already granted to GET Elec Limited at the date of signature, was granted as part of the financing of the ElecLink project and to cover the acquisition of ElecLink's shares in 2016.

At 31 December 2019, the loan amounted to €484 million and £212 million (31 December 2018: €365 million and £190 million). Unrealised foreign exchange gains and losses are recorded in the balance sheet as a translation adjustment asset or a translation adjustment liability.

This loan bears interest at 3.748% for the euro tranche and at 3.848% for the sterling tranche.

E.2. Debt with other Group companies

€'000		31 December 2019	31 December 2018
Debt relating to the Funding Loan: France Manche SA	*	195,229	195,229
Debt relating to the Funding Loan: The Channel Tunnel Group Limited	*	125,600	119,460
Current account: Eurotunnel Services Limited		–	1,786
Current account: Eurotunnel Services GIE		–	323
Current account: ElecLink Limited		108	26
Current account: Eurotunnel Holding SAS	*	1,546	20,057
Current account: France Manche SA	*	560,953	560,898
Current account: The Channel Tunnel Group Limited	*	203,019	191,778
Current account: Europorte SAS		27	–
Current account: GET Elec		962	–
Total		**1,087,444**	**1,089,557**

* *These debts (totalling €1,086,347,000) are governed by the Master Intra-Group Debt Agreement.*

The current accounts with Getlink SE carry interest at LIBOR +1% for the British subsidiaries and EONIA +1% for the French subsidiaries.

Debt relating to the Funding Loan

These debts correspond to the advances made by France Manche SA and The Channel Tunnel Group Limited to EGP as part of the financial restructuring in 2007. The Funding Loans carry interest at EONIA +1% for the loan from France Manche SA and at LIBOR +1% for the loan from The Channel Tunnel Group Limited. The amount included in the accounts relating to the Funding Loan from France Manche SA corresponds to the nominal value of the debt (€195,229,000) and the amount included in the accounts relating to the Funding Loan from The Channel Tunnel Group Limited corresponds to the nominal value of the debt (€125,600,000 or £106,861,000).

E.3. Receivables from other Group companies

€'000	31 December 2019	31 December 2018
France Manche SA	7,430	1,858
Eurotunnel Services GIE	2,726	853
Eurotunnel Services Limited	2,034	213
Centre International de Formation Ferroviaire de la Côte d'Opale SAS	40	280
Europorte SAS	512	904
Eurotunnel Holding	3,842	21,095
Euro Immo GET SAS	898	748
Eurotunnel SE	–	181
Europorte France SAS	313	586
Socorail SAS	456	575
Eurosco SAS	–	132
GET Elec Limited	127	889
ElecLink Limited	4,501	1,664
Euro-TransManche 3 SAS	–	35
Euro-TransManche 3 BE SAS	–	19
Euro-TransManche 3 NPC SAS	171	7
Europorte Proximité SAS	3	–
Total	**23,053**	**30,039**

Receivables from other Group companies relate mainly to the invoicing of management fees.

F. Loans and debts to credit institutions

F.1. Financial liabilities

€'000	31 December 2019			
	Less than one year	Between 1 and 5 years	More than 5 years	Total
Nominal value of Senior Secured Notes	–	550,000	–	**550,000**
Other	22	–	–	**22**
Total	**22**	**550,000**	**–**	**550,022**

Getlink SE issued €550 million 3.625% Senior Secured Notes (the "Notes") on 3 October 2018. The Notes are listed on the Official List of the Irish Stock Exchange (trading as Euronext Dublin) and are admitted to trading on the Global Exchange Market thereof. The Notes align with the June 2018 version of the International Capital Markets Association's Green Bonds Principles and are therefore considered "green" bonds.

The Notes are governed by an English law trust deed (the "Trust Deed") between Getlink SE and BNY Mellon Corporate Trustee Services Limited, as trustee for the holders of the Notes.

The Notes are due on 1 October 2023 and interest thereon is payable semi-annually in arrears on 30 June and 30 December of each year, commencing on 30 December 2018.

Pursuant to the Trust Deed, €19,940,000 was paid into a Debt Service Reserve Account (DSRA). This reserve account is recorded in the balance sheet under other fixed assets.

The fees directly attributable to the transaction amounting to €21 million are amortised over the life of the Notes.

As at 31 December 2019, the Notes are rated BB (negative outlook) by S&P and BB+ (stable) by Fitch.

Permitted use of proceeds

The Trust Deed allows the Group to use the net proceeds of the offering of the Notes to refinance the £190 million external loan of Eurotunnel Agent Services Limited, finance capital expenditures in relation to ElecLink and finance other eligible "green" assets.

In accordance with its Green Bond Framework, Getlink will prepare and publish a Green Bond Report within one year of the inaugural Green Bond issuance and annually thereafter until full allocation of the amount equal to the net proceeds of the green issuance. This report will provide information on the allocation and environmental impact of the Green Bonds issued.

Security and ranking

The Trust Deed is subject to an English law intercreditor agreement (the "Intercreditor Agreement") between, *inter alios*, Getlink SE and BNY Mellon Corporate Trustee Services Limited, as security agent. The Notes are secured by first ranking liens (the "Notes Security") on (i) all shares in the capital of Eurotunnel Holding SAS and GET Elec Ltd; and (ii) a debt service reserve account set up by the Group.

Redemption

Optional redemption

The Notes may be redeemed early under certain conditions and upon the occurrence of certain tax events.

Repurchase upon a change of control

If an event treated as a change of control occurs, then each holder of the Notes has the right to require that Getlink SE repurchase such holder's Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and other additional amounts, if any, to the date of purchase.

Mandatory redemption

If Getlink SE disposes of its shares in Eurotunnel Holding SAS to a third party in accordance with the requirements of law or a governmental authority, it shall apply the net cash proceeds of such disposal to redeem all outstanding Notes at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and other additional amounts, if any, to the date of purchase, provided that such net cash proceeds shall first be applied to repay the amounts outstanding under the Term Loan.

Covenants

The Trust Deed provides for certain covenants that are customary for this type of financing. These incurrence covenants are only tested upon the occurrence of an event, rather than on an on-going basis. Unless certain conditions are respected, certain prohibitions apply in relation to the incurrence of additional debt, the making of certain restricted payments, including dividend payments and the purchase of treasury shares (subject to conditions including if there is an event of default or if the DSCR is less than 1.25) and other operations including the sale of assets, the granting of liens and the consummation of mergers.

As is customary for issuances of this type, there are a number of exceptions to the incurrence covenants that are aimed to ensure that the Group has sufficient flexibility to operate its business.

Events of default

The Trust Deed lists certain events of default, which permit the trustee or a certain percentage of holders to declare the Notes immediately due and payable.

F.2. Deferred charges

The deferred charges include costs directly relating to the issue of the Senior Secured Notes pending recognition in the income statement at the same rate as the future remuneration of these notes until maturity on 1 October 2023, over a period of five years.

€'000	1st January 2019	Change in year	Amount charged to the income statement	31 December 2019
Fees relating to the issue of the Senior Secured Notes	20,423	19	(4,305)	16,137
Expenses to spread over several years	**20,423**	**19**	**(4,305)**	**16,137**

G. Other liabilities

Other liabilities include £10 million in respect of fees incurred for the issue of the Senior Secured Notes in 2018 (see note F above).

H. Treasury shares

The movements in the number of treasury shares held during the year were as follows:

	Number of shares					€'000				
	* Investments in securities			Financial assets		* Investments in securities			Financial assets	
	Allocated to plans	Liquidity contract	Total	Other	TOTAL	Allocated to plans	Liquidity contract	Total	Other	TOTAL
At 1st January 2019	5,811,475	420,000	**6,231,475**	9,023,451	**15,254,926**	41,504	4,778	**46,282**	83,745	**130,027**
Shares transferred to staff (free shares)	(1,714,194)	–	**(1,714,194)**	–	**(1,714,194)**	(13,160)	–	**(13,160)**	–	**(13,160)**
Exercise of stock options	(340,770)	–	**(340,770)**	–	**(340,770)**	–	–	**–**	–	**–**
Allocated to plans	1,249,964	–	**1,249,964**	(1,249,964)	**–**	15,529	–	**15,529**	(15,529)	**–**
Net purchase/(sale) under liquidity contract	–	(250,000)	**(250,000)**	–	**(250,000)**	–	(2,142)	**(2,142)**	–	**(2,142)**
31 December 2019	**5,006,475**	**170,000**	**5,176,475**	**7,773,487**	**12,949,962**	**43,873**	**2,636**	**46,509**	**68,216**	**114,725**

* *See note I below.*

At 31 December 2019, Getlink SE held 12,779,962 treasury shares as part of the share buyback programme renewed by the General Meeting of shareholders and implemented by decision of the Board on 18 April 2019. 5,006,475 of these shares are allocated to cover share option plans and the grant of free shares, whose implementation was approved by the General Meetings of shareholders in 2010, 2011 and 2013 to 2019.

I. Investments in securities and cash and cash equivalents

This includes mainly short-term investments in certificates, deposit accounts and money market funds.

€'000	Note	31 December 2019	31 December 2018
Treasury shares	H	46,509	46,282
Investments in EUR		49,510	120,582
Short-term certificates of deposit in GBP		23,822	44,578
Accrued interest on securities		20	15
Sub-total		**119,861**	**211,457**
Cash at bank and in hand		164,145	152,236
Total		**284,006**	**363,693**

At 31 December 2019, Getlink held 170,000 treasury shares purchased by Oddo BHF under the liquidity contract. At 31 December 2019, the value of these shares amounted to €2,637,000 (31 December 2018: €4,927,000) compared to a cost of acquisition of €2,636,000 (31 December 2018: €4,778,000).

At 31 December 2019, short-term certificates of deposit amounted to €23,822,000 corresponding to an investment of £20,268,000.

As at 31 December 2019, the market value of the SICAV portfolio was €1,619 (31 December 2018: €25,581,000) compared to an acquisition cost of €1,646 (31 December 2018: €25,581,000).

J. Equity

J.1. Share capital

€	31 December 2019	31 December 2018
550,000,000 fully paid-up ordinary shares each with a nominal value of €0.40	220,000,000.00	220,000,000.00
Category B fully paid-up preference shares each with a nominal value of €0.01	–	0.28
Category C fully paid-up preference shares each with a nominal value of €0.01	–	6.92
Category D fully paid-up preference shares each with a nominal value of €0.01	11.27	–
Total	**220,000,011.27**	**220,000,007.20**

During 2019:

- 28 category B preference shares issued under the 2014 programme of preference shares convertible into ordinary shares and 692 category C preference shares issued under the 2015 programme of preference shares convertible into ordinary shares were cancelled; and
- 1,127 category D preference shares issued under the 2018 programme of preference shares convertible into ordinary shares were issued.

The programmes of preference shares convertible into ordinary shares is described in note J.3 below.

J.2. Statement of changes in equity

€'000	Share capital	Share premium account	Legal reserve	Other reserve	Retained earnings	Result for the year	Total
At 1 January 2018	220,000	1,711,796	22,422	598,797	273,385	69,750	**2,896,150**
Payment of dividend	–	–	–	–	(90,636)	(69,750)	**(160,386)**
Result for the year	–	–	–	–	–	200,332	**200,332**
At 31 December 2018	**220,000**	**1,711,796**	**22,422**	**598,797**	**182,749**	**200,332**	**2,936,096**
Appropriation of the profits	–	–	–	–	7,318	(7,318)	**–**
Payment of dividend	–	–	–	–	–	(193,014)	**(193,014)**
Result for the year	–	–	–	–	–	164,897	**164,897**
At 31 December 2019	**220,000**	**1,711,796**	**22,422**	**598,797**	**190,067**	**164,897**	**2,907,979**

J.3. Employee share option plans

J.3.1. Share options

Share option plan (treated as an equity instrument)

On 26 May 2010, the General Meeting of shareholders authorised the Board to grant, in one or several allocations, options over shares in the company to executives and senior staff of Getlink SE and its subsidiaries, during a period the duration of which is fixed at 38 months from 26 May 2010. The total number of options may not give the right to more than 3,900,000 shares of a nominal value of €0.40 each. The Board allocated 3,900,000 shares held under the share buyback programme to these options. Under this scheme, the Board have approved three grants of share options: on 16 July 2010, 21 July 2011 and 20 July 2012.

Characteristics and conditions of the share option plans

The characteristics and conditions attached to the attribution of the share options are as follows:

Date of grant / main staff concerned	Number of options	Conditions for acquiring rights	Vesting period
Options granted to key executives and senior staff on 16 July 2010	1,164,000	Staff must remain as employees of the Group until the exercise of options. Performance conditions: 50% of options are subject to conditions based on the financial performance of the Group (distribution of a dividend, consolidated EBITDA in 2010 and 2011 above a predetermined level). The performance conditions were met. Market performance condition: 50% of options are conditional on the Getlink SE share price performing better than the SBF120 index. The performance conditions were met.	4 years
Options granted to key executives and senior staff on 21 July 2011	1,430,000	Staff must remain as employees of the Group until the exercise of options. Performance conditions: 50% of options are subject to conditions based on the financial performance of the Group (distribution of a dividend, consolidated EBITDA in 2011 and 2012 above a predetermined level). The performance conditions were met. Market performance condition: 50% of options are conditional on the Getlink SE share price performing better than the SBF120 index. The market conditions were not met.	4 years
Options granted to key executives and senior staff on 20 July 2012	1,405,000	Staff must remain as employees of the Group until the exercise of options. Performance conditions: 50% of options are subject to conditions based on the financial performance of the Group (distribution of a dividend, consolidated EBITDA in 2012 and 2013 above a predetermined level). The performance conditions were met. Market performance condition: 50% of options are conditional on the Getlink SE share price performing better than the SBF120 index. The market condition for 2012 was not met. The market condition for 2013 was met.	4 years

Evolution of the share option plans

The number and the average weighted exercise price of the share options are as follows:

	2019		2018	
	Average weighted exercise price (in euros)	Number of options	Average weighted exercise price (in euros)	Number of options
In issue at 1 January	6.60	677,925	6.70	1,163,925
Exercised during the year	6.59	(340,770)	6.83	(486,000)
In issue at the end of the year	**6.62**	**337,155**	**6.60**	**677,925**
Exercisable at the end of the year	6.62	337,155	6.60	677,925

Of the 337,155 options in issue at 31 December 2019:

- 79,000 are exercisable, subject to staff remaining as employees of the Group, at a price of €6.42 until July 2020,
- 76,700 are exercisable, subject to staff remaining as employees of the Group, at a price of €7.52 until July 2021, and
- 181,455 are exercisable, subject to staff remaining as employees of the Group, at a price of €6.33 until July 2022.

J.3.2. Free share plans

a) Free share plans with no performance conditions

Following the approval by the general meeting of shareholders on 18 April 2019 of the plan to issue existing free shares, Getlink SE's Board of Directors decided on 18 April 2019 to grant a total of 447,750 Getlink SE ordinary shares (125 shares per employee) to all employees of Getlink SE and its related companies with the exception of executive and corporate officers of Getlink SE. The vesting period for these shares is one year and is followed by a three-year lock-up period.

During 2019, 527,800 free shares issued in 2015 and 2018 were acquired by employees.

Evolution of free shares with no performance conditions

Number of shares	2019	2018
In issue at 1 January	535,800	573,075
Granted during the year	447,750	348,700
Renounced during the year	(25,500)	(24,675)
Acquired during the year	(528,050)	(361,300)
In issue at the end of the year	**430,000**	**535,800**

b) Free share plan subject to performance conditions

The General Meeting of shareholders on 27 April 2016 and 27 April 2017 authorised the Board of Directors to grant free shares to executives and senior staff of the company and its subsidiaries, subject to performance conditions, after a period of three years. The total number of shares may not give entitlement to more than 2,400,000 ordinary shares with a nominal of €0.40 each. Under these authorisations, the Board of Directors approved on 20 October 2016 15 June 2017 respectively, the allocation of a total of 2,400,000 shares.

Characteristics and conditions of the free share plan subject to performance conditions

Date of grant / main staff concerned	Number of shares	Conditions for acquiring rights	Vesting period
Ordinary shares granted to key executives and senior staff on 20 October 2016	1,200,000	Staff must remain as employees of the Group. Internal performance condition (50% of the attributable volume), is based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2017 and 2018. External performance condition (TSR, 40% of the attributable volume), is based on the stock market performance of the Getlink SE share compared to the performance of the DJI index (dividends included) over a three-year period. CSR performance condition (10% of attributable volume), is based on the performance of the 2018 composite CSR index.	3 years
Ordinary shares granted to key executives and senior staff on 15 June 2017	1,200,000	Staff must remain as employees of the Group. Internal performance condition for 50% of the attributable volume: based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2018 and 2019. External performance condition (TSR) for 40% of the attributable volume: based on the stock market performance of the Getlink SE share compared to the performance of the DJI index (dividends included) over a three-year period. CSR performance condition for 10% of attributable volume: based on the performance of the 2019 composite CSR index.	3 years

Evolution of the free share plan subject to performance conditions

Number of shares	2019	2018
In issue at 1 January	2,379,750	2,379,750
Acquired during the year	(760,040)	–
Cancelled during the year	(426,210)	–
In issue at the end of the year	**1,193,500**	**2,379,750**

J.3.3. Preference shares convertible into ordinary shares subject to performance conditions

On 18 April 2019, the general meeting of shareholders authorised the Board of Directors to grant to executives and senior staff of Getlink SE and its subsidiaries preference shares (class E shares) with a nominal value of €0.01 each with no voting rights which are convertible into Getlink SE ordinary shares subject to performance conditions at the end of a three-year period. The total number of preference shares may not give the right to more than 1,500,000 ordinary shares of a nominal value of €0.40 each. Under this scheme, the Board approved on 18 April 2019 the grant of 1,500 preference shares, each convertible at the end of the period into a maximum of 1,000 ordinary shares.

Characteristics and conditions of the preference share plans

Date of grant / main staff concerned	Preference shares granted	Conversion ratio	Maximum permitted number of ordinary shares	Conditions for acquiring rights	Vesting period
Preference shares granted to key executives and senior staff on 29 April 2014 (**B shares**)	300	5,000	1,500,000	Staff must remain as employees of the Group. Market performance condition: calculated on a tapering scale corresponding to the percentage achievement of a maximum target of an average price of €11.50.	4 years
Preference shares granted to key executives and senior staff on 29 April 2015 (**C shares**)	2,000	500	1,000,000	Staff must remain as employees of the Group. Financial performance condition: 70% based on the Group's long-term economic performance: achievement of consolidated EBITDA targets announced to the market for 2015, 2016, 2017 and 2018. Market performance condition: 20% based on the performance of the Getlink SE share price compared to the DJI index (including dividends) over a four-year period. CSR performance condition: 10% based on the performance of the composite CSR index over a four-year period.	4 years

Date of grant / main staff concerned	Preference shares granted	Conversion ratio	Maximum permitted number of ordinary shares	Conditions for acquiring rights	Vesting period
Preference shares granted to key executives and senior staff on 18 April 2018 (**D shares**)	1,500	1,000	1,500,000	Staff must remain as employees of the Group. Internal performance condition for 50% of the attributable volume: based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2018, 2019 and 2020. External performance condition (TSR) for 40% of the attributable volume: based on the stock market performance of the Getlink SE share compared to the performance of the GPR Getlink SE index (dividends included) over a 3-year period. CSR internal performance condition for 10% of attributable volume: based on the performance of the 2020 Composite CSR index.	3 years
Preference shares granted to key executives and senior staff on 18 April 2019 (**E shares**)	1,500	1,000	1,500,000	Staff must remain as employees of the Group. Internal performance condition for 50% of the attributable volume: based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2019, 2020 and 2021. External performance condition (TSR) for 40% of the attributable volume: based on the stock market performance of the Getlink SE share compared to the performance of the GPR Getlink SE index (dividends included) at the end of 2021. CSR internal performance condition for 10% of attributable volume: based on the performance Composite CSR index over a 3 year period.	3 years

Evolution of the preference share plans

	E shares 2019		D shares 2018		C shares 2015		B shares 2014	
Number of preference shares	2019	2018	2019	2018	2019	2018	2019	2018
In issue at 1 January	–	–	1,500	–	464	464	5	89
Granted during the year	1,500	–	–	1,500	–	–	–	–
Acquired during the year	–	–	(1,127)	–	(400)	–	(5)	(84)
Expired or cancelled during the year	(35)	–	–	–	(64)	–	–	–
In issue at the end of the year	**1,465**	**–**	**373**	**1,500**	**–**	**464**	**–**	**5**

K. Provision for risks and charges

€'000	1 January 2019	Charge to income statement	Release of unspent provisions	Provisions utilised	31 December 2019
Provision for exchange losses	19,745	7,017	–	(19,721)	7,041
Provision relating to share options and free shares	9,032	10,280	–	(6,899)	12,413
Other	473	88	–	–	561
Total	**29,250**	**17,385**	**–**	**(26,620)**	**20,015**

L. Revenues from sale of services

This item comprises revenues from services charged to subsidiaries.

M. Cost transfers

This item includes the re-invoicing to subsidiaries of expenses related to share-based payments amounting to €9,220,000 as well as €895,000 in costs related to the disposal of discontinued operations and costs related to the ElecLink project.

N. Purchases and external costs

This item includes expenses incurred in connection with its holding company activity and expenses related to the activities of its subsidiaries.

O. Staff numbers

The average number of staff employed during the year was 21 (2018: 20).

At 31 December 2019, 20 staff were employed by the company (31 December 2018: 21).

P. Income from investments in subsidiary undertakings

As part of cash flow management between the different Group entities, the following intra-Group dividends were received by Getlink SE during 2019:

€'000	31 December 2019	31 December 2018
Dividends: Eurotunnel Holding SAS	142,414	111,897
Dividends: Europorte SAS	10,156	5,078
Dividends: Euro-TransManche Holding SAS	–	5,999
Total	**152,570**	**122,974**

Q. Interest and related income and charges

€'000		2019	2018
Interest and related income			
Interest due from The Channel Tunnel Group Limited on the ABD	*	–	1,434
Interest due from France Manche SA on the ABD	*	–	2,505
Interest due from Eurotunnel Agent Services Limited		1,842	1,031
Interest due from Eurotunnel Holding	*	14,643	10,549
Interest due from France Manche SA on the NRS Commission Loan and the NRS Redemption Premium Loan	*	–	270
Interest due from GET Elec Limited		24,496	17,666
Bank interest		653	89
Total		**41,634**	**33,544**
Interest and related charges			
Interest due to France Manche SA on the Funding Loan	*	1,223	1,285
Interest due to The Channel Tunnel Group Limited on the Funding Loan	*	2,059	1,868
Interest due to Euro-Transmanche Holding		–	3
Interest due on intra-group current accounts	*	24,395	11,503
Total		**27,677**	**14,659**

* *These amounts (totalling a net of €-13,034,000: received €14,643,000, paid €27,677,000) are governed by the Master Intra-Group Debt Agreement.*

R. Financial depreciation and provisions

€'000	31 December 2019	31 December 2018
Release of provision/ (provision) for depreciation of investment in subsidiary undertakings and associated receivables	224	(6,084)
Release of provision/ (provision) for exchange losses	12,704	(7,335)
Total	**12,928**	**(13,419)**

S. Exchange gains and losses

In 2019, this included realised exchange gains and losses arising from intra-group payables and receivables.

T. Exceptional result

€'000	31 December 2019	31 December 2018
Exceptional profit on assignment of Concessionaires' receivables	–	81,147
Exceptional charges	(11,949)	(10,302)
Exceptional income	2,387	2,227
Release of other provisions	6,899	9,521
Total	**(2,663)**	**82,593**

In 2019, Getlink SE recognised an exceptional expense related to the transfer of shares to Group employees of €11,479,000 (2018: €9,480,000) offset by a release of provision of €6,899,000 (2018: €9,521,000) (see note B.6 above).

This item also includes exceptional income and charges relating primarily to the gains and losses recognised on the sale of treasury shares (see note B.5 above).

In 2018, Getlink SE had an exceptional result of €81,147,000 on the assignment of receivables from the Concessionaires as part of the Group's internal legal reorganisation.

U. Tax and fiscal situation

Getlink SE is the parent company of the consolidated tax group which it formed on 1 January 2008 with all the Group's French subsidiaries.

U.1. Taxation accounted for through the income statement

€'000	31 December 2019	31 December 2018
Tax income/(expense) of tax consolidation	(5,992)	(7,606)
Utilisation of brought forward fiscal deficits	3,014	4,103
Total income tax	**(2,978)**	**(3,503)**
Tax on dividends	–	34
Tax consolidation of subsidiaries	12,241	7,228
Total tax	**9,263**	**3,759**

Information presented on the basis of the tax rate applicable in 2019 on taxable transactions of 34.43%.

Getlink SE's taxable result, excluding integration, was a loss of €5.5 million (2018: profit of €84.8 million). The taxable result for the consolidated tax group was a profit of €39.5 million (2018: €125.6 million).

U.2. Reductions and increases in future tax liabilities

€'000	31 December 2019 Base	31 December 2019 Tax	31 December 2018 Base	31 December 2018 Tax
Tax losses	846,893	224,426	856,912	224,980
Other (including exchange difference liabilities and provision for exchange risk)	32,609	8,421	29,128	7,523
Total reductions in future tax liabilities	**879,502**	**232,847**	**886,040**	**232,503**
Unrealised gain on the restructuring profit	1,364,387	352,421	1,364,387	373,309
Other (including exchange difference assets)	7,042	1,819	19,746	5,099
Total increases in future tax liabilities	**1,371,429**	**354,240**	**1,384,133**	**378,408**

Information presented on the basis of a future tax rate applicable on taxable transactions in place.

Carried forward losses of the tax consolidation group

At 31 December 2019, the cumulative tax losses of the tax group which can be carried forward indefinitely and are chargeable to the taxable profits of the members of this group amount to €847 million (31 December 2018: €855 million adjusted following the filing of a claim).

Losses carried forward from the old consolidation group TNU SA

At 31 December 2019, cumulative tax losses of the old tax consolidation group TNU SA amounting to €22 million were charged to the taxable profits of the members of this group. These deficits, which amounted to €1,871 million at 31 December 2019 (31 December 2018: €1,893 million) may only be applied to the taxable profits of FM and Europorte SAS.

Profit arising from the restructuring

The financial restructuring in 2007 led to a restructuring profit in the accounts of the Group of €3,323 million. At 31 December 2019, €1,364 million of this amount remains deferred within the French tax group. The taxation of this profit is dependent on the repayment of the Amended Bond Debt (see note E.1 above) by the Concessionaires (France Manche SA and The Channel Tunnel Group Limited), which in turn depends on the repayment of the Term Loan by the Concessionaires which matures in 2050.

V. Earnings per share and effect of dilution

	2019	2018
Weighted average number:		
– of issued ordinary shares	550,000,000	550,000,000
– of treasury shares	(14,056,414)	(15,689,634)
Number of shares used to calculate the result per share (A)	**535,943,586**	**534,310,366**
– effect of share options	222,284	341,284
– effect of free shares	2,286,839	2,918,944
– effect of preference shares	2,896,111	1,561,627
Potential number of ordinary shares (B)	**5,405,234**	**4,821,855**
Number of shares used to calculate the diluted result per share (A+B)	**541,348,820**	**539,132,221**
Net profit (€'000) (C)	164,897	200,332
Profit per share (€) (C/A)	**0.31**	**0.37**
Profit per share after dilution (€) (C/(A+B))	**0.30**	**0.37**

The calculations were made on the following basis:

- on the assumption of the exercise of all the options issued and still in issue at 31 December 2019. The exercise of these options is conditional on the criteria described in note J.3.1;
- on the assumption of the acquisition of all the free shares allocated to staff; details of free shares are given in note J.3.2 above; and
- on the assumption of the acquisition of all the preference shares allocated to staff and still in issue at 31 December 2019. Conversion of these preference shares is subject to achieving certain targets and remaining in the Group's employment as described in note J.3.3 above.

W. Related party transactions

W.1. Subsidiaries of Getlink SE

The main transactions carried out with related parties (the other companies within the Group), as well as the receivables and the payables relating to these companies, are as follows:

STATEMENT OF FINANCIAL POSITION *(€'000)*	Note	31 December 2019	31 December 2018
Other non-current financial assets	E.1	2,662,501	2,563,229
Group and associates receivables	E.3	23,053	30,039
Other current financial assets	E.1	10,421	8,364
Assets		**2,695,975**	**2,601,632**
Group and associates	E.2	1,087,444	1,089,557
Liabilities		**1,087,444**	**1,089,557**

INCOME STATEMENT *(€'000)*	2019	2018
Eurotunnel Holding SAS	19,297	20,231
Europorte SAS	2,226	2,295
Centre International de Formation Ferroviaire de la Côte d'Opale SAS	205	(1)
ElecLink Limited	962	–
GET Elec Limited	–	743
Sales	**22,690**	**23,268**
Recharge of cost of free share plans	9,594	2,563
Europorte SAS	–	73
ElecLink Limited	847	1,062
MyFerryLink SAS	–	5
Euro-TransManche Holding SAS	–	2
Euro-TransManche SAS	9	18
Euro-TransManche 3 BE SAS	9	18
Euro-TransManche 3 NPC SAS	9	21
Cost transfers	**10,468**	**3,762**
Eurotunnel Services Limited	–	2
Centre International de Formation Ferroviaire de la Côte d'Opale SAS	5	1
Eurotunnel Management Services Limited	–	64
Eurotunnel Holding SAS	16,182	16,714
Purchases	**16,187**	**16,781**
France Manche SA	4,736	5,006
The Channel Tunnel Group Limited	2,998	4,832
Euro-TransManche Holding SAS	–	3
Financial charges	**7,734**	**9,841**
France Manche SA	–	2,774
The Channel Tunnel Group Limited	–	1,434
GET Elec Limited	24,496	17,666
Eurotunnel Agent Services Limited	1,842	1,031
Financial income	**26,338**	**22,905**
Income from assignment of Concessionaires' receivables	–	1,807,561
Exceptional income	**–**	**1,807,561**
Net book value of Concessionaires' receivables	–	1,726,414
Exceptional charges	**–**	**1,726,414**

W.2. Remuneration of Directors and senior executive officers

The remuneration paid to members of the Board and senior executive officers is included in chapter 5 of the Group's 2019 Universal Registration Document.

X. Statutory auditors' fees

The fees paid to the statutory auditors relating to the 2019 financial year are presented in note J to the Group's consolidated accounts.

Y. Events after the reporting period

Nothing to report.

2.3 OUTLOOK, OBJECTIVES, RECENT EVENTS AND EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period are described in note K to the consolidated financial statements for the financial year set out in section 2.2.1 of this Universal Registration Document.

Outlook

In 2019 the Group had to face a number of difficulties affecting its Eurotunnel business: the uncertainties created by the successive delays in the implementation of Brexit, with a truck market twice affected by stockpiling then stock reduction in the United Kingdom and a certain reluctance to travel on the part of its Passenger Shuttle Service customers, were exacerbated by the industrial action taken by French customs officials during the first half of 2019, and then by the national strikes in France in December 2019.

After a first quarter of very strong growth, driven by the stockpiling by British companies in the expectation of Brexit taking place on 29 March, the cross-Channel truck market fell sharply from the second quarter onwards, finally posting a 5% fall for the full 2019 year. In this context, which was further aggravated by the work-to-rule action by French customs officials in the first half of the year, the Group nevertheless improved the margins on its Truck Shuttle business, while maintaining its market share and position of leader on the cross-Channel market[22].

In a cross-Channel car market also affected by the uncertainties surrounding Brexit and which declined by 6% in 2019, the Group strengthened the market share of its Passenger Shuttle business.

Overall, the results of the Shuttle business in 2019, with a drop in revenue limited to 2% despite the contraction of the cross-Channel markets, confirm the Group's commercial strategy of optimising its profitability through active yield management for both its truck and car businesses.

In the context of the United Kingdom's exit from the European Union on 31 January 2020 and the Transition Period which will end on 31 December 2020 at the earliest, uncertainty remains as to the nature of the trade agreements that will be negotiated between the United Kingdom and the European Union. However, the Group is confident in its business model and its ability to deliver sustainable growth. Its strategy, supported by an attractive commercial policy based on quality of service and the digitalisation of processes, aims to preserve the margins of the activity, while adapting to the evolution of the market. The Group’s investment policy serves this strategy and, with the launch in 2019 of the Passenger Shuttle renovation programme, the Group intends to pursue an investment programme aimed at reinforcing its quality of service and modernising its infrastructure and equipment.

Despite the significant impact of the industrial action by French customs officers in the first half of the year and then the national strikes in France in December 2019 against pension reform, High-Speed Passenger Train traffic through the Tunnel continued to grow, exceeding 11 million passengers for the first time. The launch in June 2019 of a third return service between London and Amsterdam and the recent confirmation by Eurostar of the launch of the Amsterdam-London direct return service from April 2020 confirm the growth potential of the passenger rail transport market between the United Kingdom and continental Europe.

During 2019, the Group completed the implementation of its action and investment plans designed to maintain fluidity of passage through its terminals post-Brexit. The new control facilities for Shuttle Truck and Passenger traffic, the digital tools for the new border control formalities, and the operating organisation and procedures for the teams on the terminals are all in place and tested. The Group remains confident in its ability to ensure the effective management of traffic flows on its terminals whatever the future regulatory environment.

Europorte is pursuing its strategy focused on profitable operations and quality of service. Despite the significant impact on its traffic of the strikes in France at the end of 2019 and in the first part of January 2020, its performance reinforces the Group’s capacity to create value in French rail freight through controlled growth and a high quality of service. In line with its strategy of services related to transport infrastructures, the Group is preparing for the future with the announcement on 25 November 2019 of its partnership with RATP to respond to future invitations to tender as part of the opening of French regional rail service markets to competition.

With respect to ElecLink, the construction of the converter stations and cable manufacturing were completed during the year in accordance with the original schedule. At the same time, the Group continued discussions with the IGC and the Channel Tunnel Safety Authority with a view to them being able to take a global decision authorising ElecLink to bring the interconnector into service. The IGC announced in January 2020 that it plans to make a decision in April 2020. In this context, the Group currently expects the interconnector to enter into service in mid-2021 following a series of tests during a period which will generate limited revenues. In addition, the Group has approached the national regulators with a view to obtaining an extension of the deadline for commissioning, which is a condition for the exemption granted to ElecLink by the European Commission in 2014. The Group is confident that its request will be granted in the context of ElecLink’s essential role in energy transition.

After the completion of Getlink SE’s €550 million bond issue in the form of Green Bonds in October 2018, the Group continues to look for opportunities to optimise the structure of its financing in order to minimise the cost of its debt as market conditions permit.

[22] *See section 1.2.2 of this Universal Registration Document.*

Objectives[23] and recent events

Confident in the robustness of its business model and its sound results for 2019, on 27 February 2020 the Group confirmed its intention to pursue its dividend policy for the benefit of its shareholders. Accordingly, it will therefore be proposed at the General Meeting that the dividend be increased to €0.41 per share for the 2019 financial year, an increase of 14% compared to 2018.

On 27 February 2020, in an economic environment which remains uncertain following the exit of the United Kingdom from the European Union on 31 January 2020 and the possible consequences of the COVID-19 coronavirus crisis, the Group set a financial objective for its 2020 consolidated EBITDA of €580 million at an exchange rate of £1=€1.14 and at constant scope and including a margin for prudence. The objective was based on the assumptions set out below:

Assumptions

Getlink has defined its objectives in accordance with the accounting policies applied in the Group’s consolidated financial statements for the year ended 31 December 2019.

- For both for the Truck and Passenger Shuttle activities, a stable level of traffic in 2020 in an economic environment still affected by the uncertainties surrounding Brexit and with the COVID-19 epidemiological crisis remaining under control at a level that does not lead to a global economic slowdown.
- Continuance of the strategy of optimising yield and managing the Group’s operating costs and overheads.
- In the context of Brexit, and in view of the preparatory measures already implemented by the Group, the continuance of its activity at its current level, with limited disruption to operations.
- The continued growth in High-Speed Passenger Train traffic through the Tunnel and the introduction of the Amsterdam-London direct return service from April 2020.
- The continuance of the Group's investment plan described in chapter 1 of this Universal Registration Document.
- The absence of any significant changes in the regulatory and fiscal environment applicable at the date of filing of this Universal Registration Document.
- The entry into service of ElecLink mid-2021.
- The assumption of a limited impact of the COVID-19 epidemic in terms of duration and decrease in traffic, based on public information available at the date the accounts were approved.
- An exchange rate of £1=€1.14.

The uncertain short-term environment does not diminish the Group’s confidence in the soundness of its various businesses and their medium and long-term growth potential. The Group maintains its objective of a consolidated EBITDA in excess of €735 million by 2022 (at £1=€1.14) following the entry into service of the ElecLink electricity interconnector in mid-2021.

COVID-19

Since 26 February 2020, the date on which the accounts, the assumptions underlying the 2020 objectives, the management report and the report presented in chapter 3 of this Universal Registration Document on Getlink’s most significant specific risks were approved, the World Health Organization has classed the global situation of COVID-19 as of 11 March 2020 as a pandemic.

On 14 March 2020, the Prime Minister of the French government decided, following the passage to stage three of the plan to combat the epidemic, to close all public places that are not essential to the life of the country. On 16 March 2020, a strengthening of the measures restricting movement was announced. The transport of goods will continue, but, as regards the movement of persons[24], only Schengen citizens and British citizens will be able to enter the European area.

Between 1 and 15 March 2020, passenger vehicle traffic was down by 18% compared to the same period in 2019.

The Concessionaires have taken a series of measures to allow the movement of goods and people while protecting employees and customers.

The overall impact of the COVID-19 pandemic on the 2020 year will depend both on the duration of the viral episode and its consequences for the economy in general and cross-Channel transport in particular. It will also depend on the decisions of the French, British, European and foreign authorities, which will continue to have a strong impact on the traffic situation.

To date, Getlink considers that, if the trend observed during the first half of March were to continue and still more if it were to become amplified, it will not be possible to achieve the 2020 EBITDA targets. It is nevertheless too early to estimate the impact of the situation on the 2020 targets. Getlink will communicate a revised 2020 EBITDA target at a later date. The Group, on the strength of its available cash, confirms that, whatever may be the financial support that may be granted by French or British states, it will be able to meet its debt service obligations in 2020.

Professional Equality Index 2019 (section 6.5.3)

In March 2020, the ESGIE subsidiary published the overall score of its 2019 workplace equality index, which, with a total of 86 points, rose by 9 points compared to 2018. This improvement concerned the “spread of individual increases” indicator. This increased from 10 points in 2018 to 20 points in 2019, the maximum number of points in the indicator. This improvement is the result of the efforts already undertaken by the organisation to correct the salary disparity between women and men.

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23 These objectives are based on data, assumptions and estimates that are considered to be reasonable. They take particular account of the consequences of the geopolitical context but are however liable to change or to be modified due to uncertainties related in particular to the economic, financial, competitive and regulatory environment. Furthermore, the materialisation of certain risks as described in chapter 3 “Risk and control” of this Universal Registration Document could have an impact on the Group’s activities and its capacity to achieve its objectives. The Group does not therefore make any commitments nor does it give any guarantee that the objectives will be met, and the forward-looking information contained in this chapter cannot be used to make a forecast of results.

24 Speech 16 March 2020, Christophe Castaner, Ministre de l’Intérieur du gouvernement français (French Home Office minister).

Removal of the role of Deputy CEO as part of the governance transition (sections 4.1.1 and 5.1.1.e.iii)

In the context of the new governance structure planned for after the next General Meeting on 30 April 2020, the Board of Directors of Getlink SE decided at its meeting of 6 March 2020 to remove the role of Deputy Chief Executive Officer and therefore terminated the office of Deputy Chief Executive Officer with effect from 15 March 2020.

François Gauthey will resume his salaried position as Chief Financial Officer from 16 March 2020.

Financial conditions related to the end of François Gauthey's corporate office

The Board of Directors made its decision in accordance with the remuneration policy applicable to the Deputy Chief Executive Officers.

The remuneration components for 2019, as determined by the Board of Directors on 26 February 2020, are presented in chapter 5 of this Universal Registration Document.

Annual remuneration for the 2019 financial year:

- The fixed remuneration paid to François Gauthey for the 2019 financial year is €400,000 gross.
- Variable remuneration for the 2019 financial year: the exact amount of the variable remuneration due to François Gauthey in respect of the 2019 financial year was set by the Board of Directors on 26 February 2020 following the approval of the Group's consolidated and audited accounts for 2019 and on the basis of the work of the Remuneration Committee. The Board of Directors set François Gauthey's annual bonus for 2019 at €221,900.

Preference and performance shares granted in respect of his corporate office:

- François Gauthey benefitted, in his capacity as Deputy Chief Executive Officer, from the allocation of preference and/or performance shares as described in chapter 5 of this Universal Registration Document, all being subject to performance and attendance conditions. François Gauthey will continue to serve as Chief Financial Officer of the Getlink Group pursuant to his employment contract. The Board of Directors noted that the definitive allocation of these shares to François Gauthey will therefore be made on the basis of (i) the fulfilment of the performance conditions applicable to the plans in question on the dates initially set and (ii) the actual presence of François Gauthey within the Group during the period of assessment of the performance conditions and excluding cases of serious or gross misconduct, which would lead to the loss of these instruments.

Payments due as a result of the end of the corporate office:

- Non-competition clause due upon termination of his corporate office: by way of reminder, François Gauthey does not benefit, as Deputy Chief Executive Officer, from a non-competition clause in the event of termination of his corporate office.
- Termination payment: as a Deputy Chief Executive Officer, François Gauthey does not benefit from a potential severance payment in the event of termination of his corporate office.

Employment contract:

- François Gauthey's employment contract as Chief Financial Officer, which has been suspended since 1 May 2016 following his appointment as Deputy Chief Executive Officer, is automatically reactivated as of 16 March 2020. François Gauthey's employment agreement contains a non-competition clause which Getlink may waive. In the event of termination of the contract at the initiative of the employer, François Gauthey would be entitled to statutory and contractual payments of half a month's salary per month of actual presence, i.e., as of 15 March, 3.5 months' salary, with a ceiling of eight months' salary.

2.4 OTHER FINANCIAL INFORMATION

2.4.1 TABLE OF GETLINK SE PARENT COMPANY RESULTS FOR THE LAST FIVE FINANCIAL YEARS[25]

	2019	2018	2017	2016	2015
Capital at end of financial year					
Share capital (€)	220,000,011.27	220,000,007.20	220,000,009.70	220,000,002.67	220,000,000.00
Number of existing ordinary shares	550,000,000	550,000,000	550,000,000	550,000,000	550,000,000
Number of existing preference shares	1,127	720	970	267	–
Maximum number of future ordinary shares to be created on exercise of rights of holders of securities giving access to Getlink SE equity *	5,405,234	4,821,855	4,823,190	3,977,660	4,726,223
Transactions and results for the year (€'000)					
Revenue excluding tax	22,690	23,268	19,437	21,121	16,752
Payroll costs	5,241	5,330	3,353	2,940	2,869
Amount of benefits	5,006	2,394	1,844	1,477	1,759
Number of employees	20	21	17	17	16
Result before tax, employee participation and depreciation and provisions	150,610	204,625	66,002	63,503	39,569
Tax on profits	9,263	3,759	14,474	21,034	(2,834)
Result after tax, employee participation and depreciation and provisions	164,897	200,332	69,750	86,273	38,455
Distributed result**	225,500	193,014	160,385	139,005	118,154
Earnings per share (€)					
Result after tax, employee participation and before depreciation and provisions	0.29	0.38	0.14	0.15	0.07
Result after tax, employee participation and depreciation and provisions	0.30	0.36	0.13	0.16	0.07
Dividend per ordinary share**	0.41	0.36	0.30	0.26	0.22

* *For details, see note H.2.1 of the consolidated accounts in section 2.2.1 of this Universal Registration Document.*
** *Subject to approval by the General Meeting on 30 April 2020 of the appropriation of the 2019 result.*

2.4.2 DELAY IN PAYMENTS FROM CUSTOMERS AND TO SUPPLIERS OF GETLINK SE

Delay in payments from customers of Getlink SE

As at 31 December 2019	1-30 days	31-60 days	61-90 days	> 91 days	Total >1 day
Invoices issued and unpaid					
Number of invoices	–	1	–	–	**1**
Total amount including tax (in euros)	–	(10,757)	–	–	**(10,757)**
% revenue for year (including tax)	0.00%	-0.04%	0.00%	0.00%	**-0.04%**
Invoices excluded for disputed or unrecorded debts and receivables					
Number of invoices			–		

The customer invoices issued by Getlink SE mainly concern intra-Group re-invoicing.

[25] *These company results are presented in accordance with French rules and regulations. These results relate only to Getlink SE as parent company and should be distinguished from the Getlink Group's consolidated results as presented in sections 2.1 and 2.2.1 of this Universal Registration Document.*

Delay in payments to suppliers of Getlink SE

As at 31 December 2019	1-30 days	31-60 days	61-90 days	> 91 days	Total >1 day
Invoices received and unpaid					
Number of invoices					**23**
Total amount including tax (in euros)	10,604	(2,900)	143,224	(148,249)	**2,679**
% purchases for year (including tax)	0.02%	0.00%	0.23%	-0.24%	**0.00%**
Invoices excluded for disputed or unrecorded debts and receivables					
Number of invoices			48		
Total amount including tax (in euros)			708,779		

2.4.3 PAYMENT SCHEDULE FOR GROUP TRADE PAYABLES

The following table shows the payment schedule for the Group's trade payables at 31 December 2018 and 2019:

Million	Total	Not yet due	0 - 30 days	31 - 90 days	Over 90 days
31 December 2019:					
France (€)	51.9	44.8	3.1	1.3	2.7
United Kingdom (£)	8.1	6.2	0.8	0.9	0.2
31 December 2018:					
France (€)	42.0	32.9	3.0	1.3	4.8
United Kingdom (£)	6.7	5.3	0.8	0.4	0.2

2.4.4 FLOWS BETWEEN THE COMPANIES OF THE GROUP

Various agreements have been entered into between Getlink SE and its subsidiaries (provision of services and financing) to structure the following operational and financing flows as set out below.

Concerning operational flows:

- The companies forming the Eurotunnel sub-group undertake on behalf of Getlink SE various services related to the management and operation of the Group's corporate departments which are invoiced to Getlink SE in the form of services.
- Getlink SE undertakes, on behalf of its subsidiaries, various services which include financing and administrative management and general strategy. The cost of these services is invoiced to Getlink SE's subsidiaries in the form of management charges which correspond to head office charges and services provided for the needs and the development of its subsidiaries.

The financial flows between Getlink SE and its subsidiaries fall into three categories:

- flows resulting from debts and receivables created under the 2007 financial restructuring of the Group, as governed by the Master Intra Group Debt Agreement (MIGDA) as described in chapter 8 of this Universal Registration Document;
- flows relating to the structure of receivables and payables set up as part of the Group's corporate reorganisation in April 2018 as governed by the MIGDA and the Vendor Loan Agreement concluded between Getlink SE and Eurotunnel Holding SAS; and
- flows put in place to finance the activities of subsidiaries other than the Eurotunnel sub-group such as the specific loans set up for the purposes of financing the activities of GET Elec Limited and EASL.

Segment information, including details of investments in property, plant and equipment and external financial liabilities for each of the segments, is given in note D.1 to the consolidated financial statements set out in section 2.2.1 of this Universal Registration Document.

2.4.5 RELATED PARTY TRANSACTIONS

The Group's related party transactions in 2019 are mentioned in note E.3 to the consolidated financial statements set out in section 2.2.1 of this Universal Registration Document and in note W to the Getlink SE parent company financial statements set out in section 2.2.2 of this Universal Registration Document.

2.4.6 *OTHER ELEMENTS*

Historical financial information

The financial information presented in this Universal Registration Document (in section 2.2) or included by reference in this document pursuant to article 28-1 of European Commission Regulation (EC) 809-2004, relates to Getlink SE, the Group's holding company, and its subsidiaries.

Pro forma financial information

None.

Auditing of historical annual financial information

The reports of the statutory auditors on the parent company and consolidated financial statements of Getlink SE for the year ended 31 December 2019 are set out in section 2.2 of this Universal Registration Document. The reports of the statutory auditors on the parent company and consolidated financial statements of Getlink SE for the years ended 31 December 2018 and 31 December 2017 (contained in section 2.2 of the 2018 Registration Document and of the 2017 Registration Document) are incorporated by reference in this Universal Registration Document pursuant to article 19 of Regulation (EU) 2017/1129.

Date of latest financial information

The last financial year for which audited financial information is available is the year ended 31 December 2019.

Interim and other financial information

None.

RISKS AND CONTROL

A FORMALISED PROCESS

Like any business, Getlink pursues its activities in an evolving environment and is necessarily exposed to risks of all kinds that, should they materialise, could have a negative effect on its activities, its financial position and its assets.
Getlink SE identifies these risks using a formalised procedure and seeks to reduce the probability of their occurrence or the potential impact by implementing formalised and specific action plans.

RISK FACTORS

In this chapter, Getlink presents the most significant specific risks the Group could be exposed to.

These risks are presented in three categories:

> Risks related to Getlink's operating environment
> Risks related to the conduct of the Group's business
> Compliance risks.

The main non-financial risks related to the Group's businesses which do not meet the materiality requirement of the European Prospectus Regulation 3, are presented in the non-financial performance statement (chapter 6).

INSURANCE

The main accidental risks are insured by multi-annual multi-layer programmes, on the worldwide market, and underwritten by leading insurers.

3 RISKS AND CONTROL

3.1 RISK FACTORS **121**

3.1.1 Risks related to Getlink's operating environment 122
3.1.2 Risks related to the conduct of the Group's business 130
3.1.3 Compliance risks 135

3.2 LEGAL AND ARBITRATION PROCEEDINGS **136**

3.2.1 Significant proceedings 137
3.2.2 Impact on the financial position and profitability of the Group 138

3.3 INSURANCE AND RISK COVERAGE **138**

3.4 INTERNAL CONTROL AND RISK MANAGEMENT ARRANGEMENTS **138**

3.4.1 Definition and objectives of internal control and risk management 138
3.4.2 Comprehensive risk management and internal control process 139
3.4.3 Internal control procedures related to the preparation and processing of financial and accounting information 143

3 RISKS AND CONTROLS

3.1 RISK FACTORS

Like any business, Getlink SE pursues its activities in evolving conditions and is necessarily exposed to risks (industrial, environmental, human, commercial, financial and others) that, should they materialise, could have a negative effect on its activities, its financial position and its assets.

Getlink SE identifies these risks using a formalised procedure and seeks to reduce the probability of their occurrence or potential impact by implementing formalised and specific action plans. The overall system of risk identification and management put in place is presented in section 3.4 of this Universal Registration Document. The control environment designed to ensure that the necessary measures are taken to control these risks is described in section 3.4.2 of this Universal Registration Document.

Getlink SE applies the provisions of the reference framework on internal control and risk management systems published by the AMF (the French financial markets regulator).

For the 2019 financial year, Getlink SE has carried out the annual review of risks that could have a significant negative impact on its operations, reputation, financial position or results. This review of risks, presented in a risk mapping, covered all active consolidated subsidiaries within the scope of the Group on 31 December 2019.

The most significant specific risks to which the Group considers itself exposed at 26 February 2020, the date on which the annual accounts were prepared, are described hereafter.

These risks are presented in three categories:

- Risks relating to the environment in which Getlink operates;
- Operating risks relating to the business; and
- Compliance risks.

These risks are ranked according to their net materiality and assessed based on their probability of occurrence and net impact (financial and reputational), after taking into account any mitigation measures implemented. In each category, the most important risk factor is presented first. The subsequent factors are not ranked in order of importance.

The following pictograms have been used to illustrate net materiality:

Net materiality

High 🔔🔔🔔	Medium 🔔🔔	Low 🔔

Risks that could have a CSR impact are identified by the following symbol:

Summary of the specific most significant main risk factors to which Getlink considers itself exposed at the date of this Universal Registration Document

Category	Risk	Net materiality
Risks relating to the Group's operating environment	Macro-economic and geopolitical conditions:	🔔🔔🔔
	- Contraction of markets and competitor pressure	🔔🔔🔔
	- Border controls affecting the handling of traffic flows	🔔🔔
	Macro-economic dependency in energy policy	🔔🔔
	Threats related to terrorist attacks	🔔🔔
	National railway network train path unavailability	🔔🔔
	Exchange rate variations	🔔🔔
	Exceptional climate or health conditions	🔔🔔
	Cyber attacks	🔔🔔
Risks related to the conduct of Group's business	Delay of a strategic project	🔔🔔🔔
	Capacity to manage innovative projects	🔔🔔
	Infrastructure and/or rolling stock failure	🔔🔔
	Major Tunnel fire	🔔🔔
	Risks related to the activities of the Networks and Railway Companies	🔔🔔
	Contractual conditions / ElecLink suppliers dispute	🔔🔔
	Collision / derailment/ railway accident on the national railway network	🔔🔔

Category	Risk	Net materiality
Compliance risks	Risks linked to the legal framework of Getlink's activity	
	Risks linked to the binational nature of the business:	
	- Non-conformity with competition law	
	- Non-respect of obligations linked to the protection of personal data	
	- Changes in tax regulations	

This list is not exhaustive and there may be other risks of which the Group has no knowledge or that are not considered to be material or specific at the date of this Universal Registration Document, and that could have an adverse effect.

The main non-financial risks relating to the company's activities are presented in the Non-Financial Performance Statement in chapter 6 of this Universal Registration Document since almost none of these risks meet the materiality criteria set out in the European Prospectus 3 Regulation.

The main financial risks that do not meet the materiality criteria set out in the European Prospectus 3 Regulation and so are not presented in this chapter 3 are dealt with in section 2.2.1 in note E.4 (pension funds) and note G.10 (liquidity risk) of this Universal Registration Document.

3.1.1 RISKS RELATED TO GETLINK'S OPERATING ENVIRONMENT

a) Macro-economic and geopolitical conditions

Net materiality

Risk identification and description

The economic environment affects overall changes in demand for transport. The Group has a specific exposure to the prevailing economic conditions in France and the United Kingdom since 88% of its revenue depends on economic conditions and on trade between the UK and continental Europe. These conditions have been affected by Brexit since 2016 and that could continue in 2020.

As of 31 January 2020, the United Kingdom is no longer a member state of the European Union and the Transition Period envisaged to negotiate before 31 December 2020 the implementation of the Withdrawal Agreement and to prepare the future relationship between the European Union and the United Kingdom began on 1 February 2020. It is envisaged that during the Transition Period the United Kingdom, having become a third country, will continue to respect the full acquired status of the Union and will have access to the internal market and the Customs Union. This Transition Period may result in progress or stagnation which may affect market confidence and result in an economic slowdown.

The effects brought about by the vote in favour of Brexit on the value of sterling, on inflation and growth are currently temporary and will depend on the exit negotiations. A slowdown or stagnation in economic conditions could have a direct impact on the volume of cross-Channel traffic, both for passengers and freight.

Control and mitigation

The Group has accordingly introduced a specific process to monitor potential macro-economic risks as well as detailed monitoring. This risk is regularly monitored (through specific reviews, sensitivity tests of the business plans and the review of various financial and legal indicators). The results of these activities are presented to the Audit Committee and to the Board of Directors. The Group has performed sensitivity tests on the value of the assets of the Concession including extreme assumptions such as a nil UK growth rate and a euro-pound sterling exchange rate at par over the remaining term of the Concession until 2086.

In order to keep smooth traffic flows and customer confidence, the Group has continued the various steps begun in 2016 to prepare for various possible outcomes. As well as the monitoring activities and dialogue with the French and British authorities at all levels, since 2018 the Group has been putting in place an investment and action plan to maintain the smooth flow of traffic. Getlink is involved in raising awareness and altering the ways in which cross-border traffic flows are managed in conjunction with its stakeholders. It is working with the French and UK customs authorities (investment and contingency plans) to prepare for Brexit and to adapt the facilities for the various controls as described under "Border controls affecting the handling of traffic flows" below.

Despite the measures taken to limit this risk and monitor developments in negotiations during the Transition Period, the uncertainty of the outcome of negotiations makes it impossible to reduce the net materiality of this risk and it remains a major risk for the Group.

i) Contraction of markets and competitor pressure

Net materiality

Risk identification and description

The risk of contraction of the Short Straits truck and passenger market is one of the possible negative consequences of Brexit. Whilst UK growth remains positive, the slowdown was accentuated in 2019. The Group's business felt the impact of this situation in 2019, with the truck market being affected by stock building in the United Kingdom followed by stock reduction as well as some reluctance among Passenger Shuttle customers to travel. This situation was aggravated by the actions taken by French customs officers between March and May 2019, and then by the national strikes in France in December 2019. A slowdown or stagnation in economic conditions could have a direct impact on the volume of cross-Channel traffic both for Passenger Shuttle and Truck Shuttle traffic.

Set against this context of economic instability and increased customer sensitivity to the quality of service, the Group's competitive environment (set out in chapter 1 of this Universal Registration Document) could intensify.

The Group's Eurotunnel activities face competition from cross-Channel transport operators, whose pricing strategies and other competitive initiatives could have a negative impact on Shuttle Service volumes (particularly Truck Shuttle services) and on passenger numbers in High-Speed Passenger Trains. Market growth and competitive pressure could be impacted by fluctuations in the price of fuel and exchange rates, particularly as regards Brexit, which may affect operators' pricing policies. The Group's commercial and operating strategy as set out in chapter 1 of this Universal Registration Document could be affected by this context, where service quality remains a crucial distinguishing factor.

In Europorte's competitive environment, developments in the market and in rail freight transport traffic and related activities are quite specific. In 2019, competition between operators remained lively and the historic operator still dominated the market, even when set against the SNCF Réseau strike and difficult weather conditions. In addition, increasing competition from building and public works sector companies for rail maintenance activities could have an impact on the renewal of certain contracts in the Europorte segment.

The growth of Europorte's business is subject to the risk of dependence on key customers.

Control and mitigation

The risk is primarily external and related to the macro-economic environment and the pricing strategy of competitors. The Group cannot control the macro-economic environment nor competitor pricing behaviour. The impact of this risk should be less for a business whose business model is based on a premium quality of service, however it remains significant. The Group has adapted its commercial strategy to this competitive environment, including reviewing the operations of different sectors. The Group has deployed some measures (special offers, engaging in a dialogue with our customers, #BrexitandBeyond communications, diversifying the customer offer), although these cannot completely remove the risk of lost revenue.

For the Passenger Shuttle Service, this risk is primarily controlled by implementing an appropriate strategy. The enhancement of the Flexiplus offer and service quality should limit the probability of this risk. Brexit could impact revenue from the transport of pets and horses if additional health checks are introduced because of Brexit.

Since 2018, an engineering department has been in place for the Europorte segment. The development of smart engineering and predictive maintenance helps strengthen Europorte's position in the market in which it operates.

ii) Border controls affecting the handling of traffic flows

Net materiality

Risk identification and description

The Brexit agreement relating to free movement ensures that all rights will be maintained until the end of 2020 as if the UK were still a member of the European Union[26].

At the end of the Transition Period, the transport of goods is exposed to the risk of the emergence of new declarations and procedures that could, depending on the circumstances, harm traffic flows, lead to a deterioration in the quality of service as the result of increased cross-border controls and to a change in passenger behaviour. Moreover, these changes might create a security threat for Europe which is affected by migrant pressures.

The effectiveness of cross-border controls is an influential factor. The customs officer work to rule action in 2019, which strongly impacted the fluidity at the French Tunnel terminal, shows this to be the case.

This risk may accentuate the risk of inadequate management of vehicle flows from their arrival to their exit from the Fixed Link, particularly on peak days (return from school holidays). The entire value chain is concerned (passengers and trucks): check-in, tolls, loading and unloading with the multiplicity of controls in place.

Control and mitigation

With regard to the movement of goods, Eurotunnel is working with governments, the European Union, the transport industry and its customers to highlight the importance of maintaining the smooth flow of traffic at borders, exchange information and propose technological solutions to reduce the impact of customs controls of trucks and trains at the border.

The Group's Brexit action plan was implemented in 2019.

The Group has worked in close collaboration with the authorities on the ground to ensure a smooth route by adapting installations to the specific needs of different controls as set out in section 1.6.1.a of this Universal Registration Document. Contingency plans were deployed (customs formalities and health checks: phytosanitary, SIVEP (French veterinary and phytosanitary service).

Juxtaposed controls are indispensable not only to the industrial value chain but also to security. This can be achieved through a paperless process or by performing as many procedures as possible away from the border point. For several years already, number plate recognition has removed the need to stop at toll booths. More recently, an innovative programme introduced with the authorities means that drivers do not need to stop every time they cross to have their identities checked if they do not wish to do so. In 2019 the Group continued its investment with the introduction of a scanner for vans, i.e. a rail freight scanner, with the support of the authorities, in order to strengthen the effectiveness of border controls.

The Group regularly meets with UK ministers and civil servants as well as the French customs authorities and members of the European Parliament Commission for Transport and Tourism (TRAN). The Group sits on the border coordination steering group led by HMRC, which brings together representatives from the main ministries concerned and is tasked with identifying the most efficient solution for future border controls. Operating and technical teams consider the practical implications of each scenario.

With regard to the movement of passengers, the Treaty of Canterbury, presented in chapter 8 of this Universal Registration Document, commits the two States to providing smooth traffic conditions through the implementation of juxtaposed identity controls. Eurostar or Shuttle passengers are controlled by the French Border Police and by the UK Border Force at the departure terminal. Eurostar passengers and Shuttle vehicles are not subject to border controls on arrival.

The investment policy supporting this plan is presented in section 1.6.1 of this Universal Registration Document.

The probability of this risk remains high, but its potential impact is falling due to investment to limit this risk.

[26] *www.//ec.europa.eu/commission/sites/beta-political/files/2018-11-26.*

b) Macro-economic dependence on energy policy

Net materiality

Risk identification and description

Eurotunnel uses electricity as its main energy source, particularly for train traction. The supply of electricity represents a significant source of costs for the Group (i.e., for 2019, approximately 7% of total operating expenses) and a general and significant change in the costs of raw materials and electricity could adversely affect the Group's results. For Europorte, which operates a service hauling freight trains, increased activity generates higher electricity costs and weighs on Europorte's operating expenses.

With respect to ElecLink, energy policy decisions may be taken in France and the United Kingdom that could change the long-term fundamentals of the interconnected markets (for example, the price of carbon emissions, the share of nuclear power in the French energy mix or the overall penetration of intermittent renewable energy sources). It is not known whether the exit of the United Kingdom from the European Union will lead to the exit of the United Kingdom from the Internal Energy Market, a framework that notably allows for the coupling of daily electricity markets and allows for the optimisation of cross-border electricity exchanges, which could affect ElecLink's business model. Depending on a change in the post-Brexit regulatory framework, in particular with regard to access rules, additional administrative procedures could be required before the start-up of operations.

ElecLink could be considered to be more exposed than other interconnectors to these risks, since it is an asset that has the benefit of a derogation that is not covered by the tariffs paid by end consumers.

Brexit may also have an impact insofar as part of the market mechanism underlying ElecLink's revenues comes from the European Union market mechanism (e.g. market coupling).

Control and mitigation

In view of the highly volatile energy market, the Group has a risk management policy which covers both market price and volume risk.

At Eurotunnel, volume purchases on the British wholesale market are performed under annual contracts. Purchases are made in tranches to spread the risk, based on fundamental and technical market analysis. For volume risk, detailed monitoring as well as consumption forecasts (reviewed regularly) serve as a basis for volume risk management.

In electricity supply contracts, the volume constraints imposed by suppliers are negotiated in in order to reduce the volume risk for the Group (it being possible to change contractual volumes without financial penalty).

The Europorte entities favour the use of electrical power. Whenever these subsidiaries use diesel locomotives, the cost price of traction may be affected by a change in the fuel price. The risk associated with changes in the price of fuel is covered by price revision clauses in its contracts with customers. Synergies exist with the Group until the end of 2020, in order to benefit from negotiated tariffs and the ARENH system (Accès Régulé à l'Electricité Nucléaire Historique – system for regulated access to historic nuclear energy), which allows all alternative suppliers to purchase electricity from EDF under conditions set by the public authorities in France.

For ElecLink, changes in the market and the regulatory and political situation are monitored constantly. A contingency plan is being implemented to access the market platforms. ElecLink has obtained regulatory approval of the access rules applicable in the event that the United Kingdom's membership of the European Internal Energy Market is discontinued. CRE[27] (the French energy regulator) and Ofgem[28] (the UK energy regulator) approved these access rules on 17 October 2019 and 13 December 2019, respectively. At the same time, ElecLink updated the access rules applicable should the United Kingdom remain in the European Internal Energy Market. This guarantees ElecLink's ability to allocate capacity rights in the long- and short-term, whatever the Brexit outcome.

Despite the measures taken, which allow the probability of this risk to be limited, the impact of this risk remains elevated.

[27] *www.cre.fr/en/Documents/Deliberations/Approval/change-to-the-eleclink-interconnection-access-rules-in-the-event-of-great-britain-remaining-or-leaving-the-single-day-ahead-market-coupling.*

[28] *www.ofgem.gov.uk/publications-and-updates/approval-modified-access-rules-and-modified-charging-methodology-eleclink-interconnector-apply-case-uk-leaves-eu-without-deal.*

c) Threats related to terrorist attacks

Net materiality

Risk identification and description

Set against the background of an increased threat of terrorism, the Group, as a transport infrastructure, is exposed to the occurrence of malicious acts targeting the organisation, its environment or its image. These may be perpetrated on its installations, and in particular its Eurotunnel installations, or to neighbouring infrastructures required for circulation of the trains or Shuttles. Depending on their seriousness, the occurrence of malicious acts could have an impact on:

- the well-being of individuals (customers, team members and partners) and of physical and non-physical goods;
- the operations of the organisation and its stakeholders and/or its image;
- obligations in respect of safety and security: new rules on the part of the French, British, European or other authorities could increase the operational burden or lead to new obligations being imposed.

In France, the alert level of the national vigilance, prevention and protection system (Vigipirate) will stay at the "heightened risk of attack" until the end of the year.

Although safety is a fundamental government function and so is primarily the responsibility of the State services, it concerns the whole of civil society. Everyone contributes to the resilience of the nation through their own actions and level of preparedness for crises, Getlink contributes to the prevention of the occurrence of malicious acts.

The Group carries out activities on behalf of the States and must implement security and public health measures along with specific measures for the application of national programmes (such as the French Vigipirate national system). As stipulated in the Concession Agreement, the Group adapts its operating practices to meet these requirements and to deliver the required quality of service.

- the Operations directorate adheres to the security obligations under the control of the IGC. It proposes the security policy and the implementation conditions and coordinates their deployment;
- a Concession safety plan has been shared with the relevant State services since 1994;
- Getlink's security policy has been brought up to date and will prompt an updating of the protection plans for each of the organisation's core installations.

Getlink has crisis management arrangements managed by its Safety Department. It regularly carries out crisis practice exercises covering various topics in order to improve the effectiveness of the arrangements. Nevertheless, this risk is largely of external origin and requires a constant strengthening of the control arrangements, which could require further adaptations of operational and commercial practices and leading to an increase in operating costs or a deterioration in service quality, irrespective of the insurance cover in place, as described in section 3.3 of this Universal Registration Document or government responsibilities.

Control and mitigation

The Group has not had a terrorist incident in 25 years. Training and risk management procedures relating to terrorist incidents have been set up centrally by the Group in coordination with the authorities (armed forces, border police and so on), under the supervision of the French and British governments. This risk is also taken into account in the very design of the Tunnel and the System. The Fixed Link is extremely secure (special prevention plan, application of all recommendations issued by national authorities, on-site military presence, etc). Controls have been strengthened since 2015.

Whilst the additional control measures deployed strengthen the protection of facilities and lessen the probability of this risk occurring, the impact of such an attack in terms of infrastructure damage and business activity remains significant.

d) National railway network train path unavailability

Net materiality

Risk identification and description

Europorte's operations (traction etc) are mainly carried out on the national French rail network managed by SNCF Réseau, which is responsible for allocating train paths to railway undertakings. The current arrangements for maintenance of the national network reduces the availability of train paths, both when they are booked in advance and in the event of late changes by SNCF Réseau. These network traffic issues adversely affect the predictability that railway undertakings, shippers and freight forwarders need for their own logistics chains. These issues may be exacerbated by SNCF staff labour action (strike action). As a result, in December 2019, EPF was able to carry only 25% of the planned traffic. Europorte does not control this external risk and this lack of predictability is a source of increased costs in terms of downtime as well as affecting the attractiveness of rail transport. This represents a curb on growth. Furthermore, the poor weather conditions described in section 3.1.1.f below are an exacerbating factor.

Control and mitigation

In order to reduce this risk, Europorte has deployed the necessary measures to optimise existing tools and has set up a specialist unit trained to optimise train path reservation. A programme has been set up to train employees in the use of SNCF Réseau tools. Nevertheless, taking into account the social context (gilets jaunes and strikes) and customer orders that are increasingly belated, the probability of this risk is increasing and this risk remains significant.

e) Exchange rate variations

Net materiality

Risk identification and description

The Group prepares its consolidated financial statements in euros. Fluctuations in the sterling/euro exchange rate have an impact on the value in euros of revenue, costs, financial income and expenses, as well as on the assets and liabilities as published by the Group. Even if the Group is only exposed to a single exchange rate, the volatility of sterling in the context of Brexit had an impact on combined revenue in euros. A little less than half of the Group's revenue is generated in sterling, while a larger proportion of expenditure (operating expenses and investment) is denominated in euros. The Group's Term Loan is denominated in sterling for a nominal amount of £1.722 billion and in euros for a nominal amount of €2.054 billion at 31 December 2019.

The Group's various business activities result in receivables and payables between the different Group companies, sometimes in different currencies, particularly between Getlink SE and its subsidiaries. The Group arranges funding for its various business activities. These intra-Group financing arrangements may generate currency imbalances which, taking account of exchange rate risk and depending on the direction of the funding flows, may automatically translate into losses in the consolidated financial statements.

Control and mitigation

The Group is working on improving the match between the currencies in which its revenue and costs are denominated. The Group also uses exchange operations to ensure optimum management of this risk. However, there is no guarantee that these measures will significantly reduce the risk borne by the Group in the event of a fall in the rate of sterling against the euro nor that they will ensure that the materialisation of this risk would not have a significant impact on the Group's financial position and/or its ability to service its debt.

In addition to the measures described above, the Group's Finance Department continually monitors movements in the sterling/euro exchange rate, while its treasury risk management committee receives formal monthly reports containing forecast and actual exchange rate fluctuations. The work of the treasury risk management committee is reported to the Getlink SE Audit Committee. The measures are set out in note G.10 in section 2.2.1 of this Universal Registration Document. Risk management is optimised but an extrinsic portion of this risk is, by definition, still potentially sensitive when the potential impact is taken into account.

f) Exceptional climate or health conditions

Net materiality

Risk identification and description

Severe weather events (floods, storms) or natural disasters could affect the ability of the organisation, particularly Europorte, which operates in an open environment on the national rail network, to carry out its operations in normal mode or deliver the expected service. For example, the floods in the South of France in 2019 affected Europorte's activity. These weather events, which could intensify with global warming, could also alter the quantity and origin of the agricultural raw materials transported. Similarly, but on a different time scale, the consequences of global warming in terms of a rise in sea level by 2100 could increase the risk of marine submersion and the rise of the sea level on the coast of Flanders.

In the global and European health context, the occurrence or fear of an epidemic is likely to have an adverse effect on traffic leading to a decrease in revenue for the Group and/or could generate high costs related to health measures. In addition to human factors, the current Coronavirus epidemic has resulted in the closure of certain areas of activity, leading to changes in the levels of production, consumption, transport and usual movements in different regions, particularly in China. As at 26 February 2020, the Group is paying very close attention to the evolution of this epidemic and is constantly monitoring the situation in order to deploy the health and implement the measures recommended by governments[29] as soon as possible.

Control and mitigation

The Group, as presented in Chapter 6 of this Universal Registration Document, is pursuing a strategy that places the fight against climate change at the heart of its environmental policy. This is part of an immediate and ongoing process to ensure a long-term commitment in the future.

Eurotunnel, as the manager of an infrastructure of major importance to the UK economy and in accordance with the Climate Change Act 2008, had carried out a study on the resilience of the infrastructure to foreseeable climate change. Getlink has decided to strengthen this study of climate change risks in 2020 by adopting a broader vision of the assessment of these risks (physical and transitional) for the Group's business.

Within the framework of the Natural Risk Prevention Plans (NRPP) and more particularly the local Littoral RPP, State services regularly carry out studies that simulate climate events such as storms, once in a century rainfall and rising water levels using to a rigorous hydrodynamic model that takes into account structures built since the middle ages to drain (by means of "wateringues") and protect (by means of dikes) the coastline of Flanders, which begins at Sangatte.

As part of crisis management plans, Europorte attends meetings with SNCF Réseau to a degraded mode and adapts its transport plans for a service resumption under the best possible operating conditions.

[29] *Section 2.3 under "Recent Events" of this Universal Registration Document.*

g) Cyber attacks

Net materiality

Risk identification and description

Businesses are increasingly exposed to risks linked to cyber attacks such as physical risks (hardware outages, theft, sabotage etc), human risks (human error etc) and software risks (software malfunction etc). Cyber security is an essential element that must go hand in hand with digitalisation. This challenge has been identified as an absolute priority at the highest level in the Group in the specific context of Eurotunnel, particularly with regard to projects linked to Brexit and the ETIAS (which permits the tracking of visitors from countries that do not need a visa to enter the Schengen area) regulations and is taken into account as early as the system design phase. Getlink has put mechanisms in place to prevent, detect and repair a cyber attack. Nevertheless, given the complexity of information systems and their interconnectivity, cyber risks are considered a major risk likely to have a significant impact on the security of the information systems.

Malicious computer software attacks, data hijacking (ransomware attacks), personal data theft and internal malicious acts are additional factors that justify this risk level.

The collection of personal data in projects such as smart borders or ETIAS, are likely to increase the impact if this risk occurs.

Control and mitigation

With regard to information systems, risks related to the integrity of data and systems are covered by procedures and controls that are integrated into the systems themselves. The Group has an IT tool user guide that enables all team members to share best practice and levels of control appropriate to the risks incurred. This policy is accompanied by an information systems safety audit programme carried out by an external firm.

Cyber security is provided in four areas:

- Governance to analyse risks, define policies and ensure the operational management of cyber security in a transversal way, while making all entities and players accountable. This governance is ensured by two committees, the Security Committee of the Board of Directors and the cyber security steering committee, made up of Group operating officers and cyber security specialists.
- Rigorous system protection, regularly tested by audits and tests carried out by service providers qualified by the Authorities, in particular the French National Agency for Information Systems Security (Agence Nationale de la Sécurité des Systèmes d'Information).
- Real-time, round-the-clock attack detection systems, also certified by the ANSSI, and linked to an alert system.
- Action plans in case of an attack, which involve both IT specialists and business managers. Reaction processes allow known attacks to be blocked quickly. Agile Business Continuity Plans (BCPs) are currently being implemented. This is a "digital fallback" platform, independent of the IT system, which contains the essential information enabling the business to continue its activity in the event of a system blackout. This platform also contains a communication system to replace the messaging system if necessary.

Despite the prevention plans in place, the probability of the risk remains high, as does its potential impact. These challenges remain a priority for 2020 and coming years, and since 2017 the Group has implemented an ambitious digital plan to enrich and improve the services offered to its customers and optimise the efficiency of internal processes. Collaborative working systems, mobile applications and Big Data and Cloud solutions are being rapidly developed.

3.1.2 RISKS RELATED TO THE CONDUCT OF THE GROUP'S BUSINESS

a) Delay of a strategic project - ElecLink

Net materiality

Risk identification and description

This risk mainly concerns the ElecLink project relating to the electricity interconnector through the Tunnel connecting the electricity transmission networks in France and the United Kingdom. As ElecLink's sole shareholder, the Group is exposed to the risks relating to the project.

The two main risk factors are as follows:

- A delay in completing the project due to specific requests from the Tunnel regulator, which could have an impact on the commissioning date, future revenue and the expected return on investment. The delay caused by the absence of a decision by the IGC requires the date of entry into operation to be postponed, with the effect of having to request an extension to be granted by the European Commission in regards to the date by which the interconnector must have become operational (currently 31 July 2020); a further delay by the IGC could force the Group to initiate legal proceedings against the States;
- Less favourable market conditions than expected when the final investment decision was made. The absence of an agreement at the end of the Transition Period could have negative consequences for the market mechanisms for British interconnectors. They could encounter technical restrictions in accessing European market coupling platforms, which could lead to less efficient allocation of cross-border capacity between the connected markets. The introduction of fees on the import of electricity or additional charges by national networks could alter ElecLink's business model.

The risk of disruption to Eurotunnel's operations remains, although it is being proactively monitored and effectively mitigated.

Control and mitigation

The Group has strengthened the operational monitoring and supervision of this project.

In response to additional requests from the IGC, the safety regulatory authority for the Tunnel, the Group has conducted a large number of studies and requested additional expertise, under the terms of which the Group has applied for authorisation to initiate cable installation operations in the Tunnel. In parallel, construction work on the converter stations, the installation of the external cables outside the Tunnel and the installation of supports in the Tunnel continued according to the original schedule. In accordance with the Common Safety Method, which applies to the railway environment, an independent expert (Assessment Body) was asked to verify the safety of the project. In its report of 15 September 2019, the Assessment Body confirmed that there were no obstacles to the continuation of the project.

The Group carried out a value-in-use test on ElecLink at 31 December 2019. This test confirmed that the value in use of all ElecLink's assets is higher than its carrying amount at 31 December 2019.

In carrying out the valuation tests, the Group used the best estimates available to it at the balance sheet date. The value-in-use test includes in particular the contractual conditions of the exemption to date. However, given the ongoing construction of the ElecLink project and the current context, particularly in relation to Brexit, the assumptions on which these estimates are based are, by their nature, still uncertain and actual results could differ from these estimates.

In addition, the Group has been particularly vigilant in setting up appropriate insurance coverage at ElecLink to cover possible damage to the Tunnel.

The Group considers that the impact and probability of this risk remain significant.

b) Ability to manage innovative projects

Net materiality

Risk identification and description

The ability to manage innovative technical projects and incorporate new changes creates uncertainties that may impact operations. The implementation of numerous new projects requires the development of innovative solutions. Additional rules imposed by regulators, as well as extra costs, could complicate the delivery or set-up of strategic projects.

During replacement and investment campaigns, risks need to be anticipated and all departments must work together. The Group may run into problems related to project management, from design to industrialisation. These can damage the Group's image and reputation for its ability to deliver innovative solutions.

Against the background of its service quality and digital transformation strategy, the Group is planning major investments in the next few years, especially in the renovation of its infrastructure and rolling stock as described in sections 1.2.4 and 1.6.1 of this Universal Registration Document. Investments have to be planned several years before they are put into service. The length of the investment cycle carries risks for the expected return on past investments. The uncertainties linked to this type of long-term investment could cause significant budget overruns. This risk was considered major due to its potential financial impact, given the level of investments planned, even though the necessary means to limit the probability of its occurrence have been developed. The digital transformation plan, the implementation of the agile border process and the mid-life renovation plan are the reasons why this risk remains significant in 2019. The Group will have to deal with numerous renovation campaigns involving improvements/innovations that are a source of uncertainty.

Further technical requirements imposed by regulators (IGC, Safety Authority), which generate additional costs, which could make the delivery or implementation of projects more complex.

Control and mitigation

The Group has created a new Projects and Engineering Department in order to identify, prioritise and coordinate projects better. Forward planning and collaboration have been strengthened. The digital transformation strategic project is part of the continuous improvement of the quality of service.

The industrial reorganisation and the use of external engineering reinforce the control of this risk.

This risk is of medium impact and probability.

c) Infrastructure and/or rolling stock failure

Net materiality

Risk identification and description

Infrastructure and rolling stock have been in operation for 25 years. Large-scale maintenance plans need to be followed with some replacement needed.

The first-generation Truck Shuttles have reached the end-of-life stage and certain key systems for the Passenger Shuttles need replacing (halon, cooling fluids). Maintenance requirements may increase.

The rolling stock and some of the Eurotunnel installations have been supplied in very small volumes by a very limited number of suppliers to meet highly specific operating requirements. The Group believes that if its original suppliers were unable to supply replacement parts or whole Shuttles for any reason, or were unwilling to do so on acceptable terms, it would be able to obtain suitable materials and equipment from other manufacturers. However, the price or timeframe for such replacements could have an adverse impact on the Group's financial position and outlook.

Control and mitigation

The Group has more than 25 years' experience in maintaining its rolling stock, equipment and infrastructure. It has a standard maintenance programme, a long-term, large-scale maintenance programme, as well as a rolling stock and equipment replacement plan as indicated in section 1.2.4 of this Universal Registration Document. However, given the specific nature of the Fixed Link's rolling stock, equipment and infrastructure, the particular conditions of use in a saline environment (cause of corrosion), and the intensity of their use as well as technological advances, these programmes and plans may prove insufficient or unsuitable, particularly in the event of premature obsolescence or an increase in technical faults. This could lead to unforeseen costs or to partial or temporary interruptions of service that could affect the Group's activity, financial position or results. In addition, the work to install high voltage cables in the rail tunnel as part of the ElecLink interconnector project may affect traffic.

In order to minimise or prevent the potential impact of these risks, mitigation measures and a risk control and management system have been put in place. Through its safety policies, each Group subsidiary participates continuously and actively in the proper functioning and improvement of this system. The actions implemented by the various entities in response to these risks help to maintain equipment and infrastructures at a high level of reliability and performance. the Fixed Link segment has, for example, taken a number of actions, including the following:

- establishing stocks of spare parts;
- quality control;
- replacement of rails and blocks when necessary;
- maintenance plans;
- implementation of preventive measures by monitoring near misses;
- monthly safety reports, presented to the Safety Authority and the IGC.

The Group attaches importance to the reinforcement of appropriate behaviour and implements a set of appropriate procedures to ensure efficient use of the infrastructure and equipment.

The Group has implemented standardisation and reconditioning programmes designed to reduce future maintenance needs and improve the availability of its rolling stock. The impact of the new industrial solutions introduced to improve operating performance may be hard to master and could lead to temporary disruptions to services. Regarding ElecLink, a number of control mechanisms have been put in place to avoid disruption to Tunnel maintenance during the construction phase.

The equipment and materials risk is managed through the purchase of reserve stocks, the dynamic (annual or half-yearly) review of the panel of suppliers, and research into alternative equipment and technologies.

The financial health of a supplier is verified by the Procurement Department, which can request the assistance of the Finance Department to validate commitments with the companies concerned.

The five-year plan covers major infrastructure and rolling stock renovation projects. The new way in which Eurotunnel is organised, with the creation of a dedicated Projects and Engineering Department, aims to strengthen the leadership of maintenance production and future investment projects.

The improvements following the purchase of new Truck Shuttles in 2017, the mid-life programme launched in 2018 and other renovation projects in progress will help to reduce the probability of this risk. The arrangements in place have improved the steering of maintenance production and major investment projects. In the meantime, the risk of failure remains high, with impacts on revenue in the event of occurrence.

d) Major Tunnel fire

Net materiality

Risk identification and description

A major fire in the Tunnel is a significant specific risk. If it occurred, it would heavily impact on Eurotunnel activity. Traffic inside and outside the Tunnel could be reduced or even halted for an indefinite period. Damages could be sought.

With regard to past incidents, the occurrence of another major fire could also result in a substantial increase in insurance premiums.

Control and mitigation

Safety-related and fire risks in the Tunnel are covered by the design of the System itself and by a series of principles, procedures and controls that have been validated by the IGC. All Shuttles are equipped with fire detection devices, extinguishing equipment and fire doors. A ventilation system renews the air in the service tunnel at a higher pressure than in railway tunnels. Moving the tarpaulin controls, antenna detectors on the Truck Shuttles and replacing pagodas are additional measures to lessen the risk. Prevention campaigns for heavy goods drivers have been put in place.

The Tunnel has rescue mission specialist teams who patrol the service tunnel 24 hours a day.

The Group monitors innovations in fire detection and prevention systems. The Group also takes into account the fact that these risks may come from external entities using the Group's facilities. The increasing number of electric vehicles being transported could increase the risk as well as the arrival of new propulsion technology (liquid petroleum gas, hydrogen etc).

SAFE stations and other fire detection and fighting systems, such as the Salamandre plan, help to reduce the probability of this risk occurring and its impact. Nevertheless, whilst this risk may be diminished with all the measures in place, the impact remains significant.

e) Inherent risks attached to the activities of the Railway and Railway Companies

Net materiality

Risk identification and description

The level of activity of the Railways, being the Group's principal customers, could have a significant impact on the Group's financial position. The Tunnel is used by Railway Companies' High-Speed Passenger Trains and Rail Freight Services, whose results could be affected by external events and circumstances beyond the control of the Group.

The Group does not operate these services and cannot exert direct influence over the commercial operation of Railway Companies' services.

The performance, service level (timetable, catering on board and so on), capacities and prices offered by these operators to their customers, along with other factors that may be beyond the operators' control, influence the use of their services which, in turn, may affect the revenue that the Group receives from the Railways and Railway Companies.

For freight, the risk is the loss of income due to an unfavourable economic situation, Brexit and the multiplication of means of transport.

Control and mitigation

This risk is difficult to control because it is external to the Group and it depends on geopolitical conditions.

The risk linked to the business and development of Railways and Railway Companies is mainly external to the Group since it does not have actual control over the activities of the Railways nor the Railway Companies. Nevertheless, the Group actively participates in the development of this activity, such as in the pricing framework of the Railways Usage Contract defined in the Network Statement. This aims to offer access conditions that are efficient, stable and encourage the growth of the Railway Companies. In particular, the ETICA scheme (Eurotunnel Incentive for Capacity Additions) provides non-discriminatory support for the development of new services by the Railway Companies during the key start-up phase and the increase in traffic. In parallel, the Group conducts regular communication actions and cooperative initiatives with the authorities (government ministries, IGC, ARAF, ORR) and railway players (Railway Companies, infrastructure managers), to help them understand and progressively reduce the barriers to growth. In this context, the Group works with the authorities and railway players to facilitate the development of new destinations and improve the competitiveness of rail services.

The growing importance of the London-Amsterdam route and the potential for new routes over the next few years should reduce the potential impact of this risk on historic lines.

f) Contractual conditions / ElecLink supplier conditions

Net materiality

Risk identification and description

This risk is a consequence of the risk headed “Delay of a strategic project”. Engineering, procurement and construction (EPC) contractors may be opportunistic and seek to take advantage of the complexity of the project to try to extract additional money from ElecLink.

Other sub-contractors (information systems etc) required for the operation are hard to replace given the skills required. More generally, ElecLink contracts are based on a balanced risk/benefit ratio for the contractors, who may be tempted to threaten to leave in an attempt to achieve a different balance.

Control and mitigation

To date, ElecLink has concluded and is still seeking to conclude contracts with the right balance of risk/benefit for its sub-contractors.

The EPC contracts are fixed-price contracts. Specific agreements have been concluded with the EPC contractors pending approval by the IGC.

Progress is closely monitored against delivery schedules and contractors are generally incentivised by payments at the completion of milestones and damages for delays.

Delay in the project increases the likelihood of this risk, and therefore its net materiality.

g) Collision / derailment / railway accident on the national railway network

Net materiality

Risk identification and description

Rolling stock failure or human error can cause railway accidents. In July 2019, a Europorte wagon with locked brakes damaged the track and started the beginnings of a fire on the adjacent embankment without causing any injuries.

Control and mitigation

Rail transport is a regulated activity. To be able to operate on the French rail network, rail freight (and passenger) undertakings must have:

- a European rail freight company licence issued by their country of establishment (by the Ministry of Transport for French companies) or by another Member State of the European Union. This licence certifies that the undertaking meets a minimum requirement in terms of good reputation, financial standing and professional competence, as well as civil liability cover;
- and a safety certificate for the lines on which the operator wishes to operate issued by the National Safety Authority (ANS): the Établissement Public de Sécurité Ferroviaire (EPSF) in France.

Drivers are trained in safety instructions. Additional controls and safety inspections are in place. However, the obsolescence of equipment and the transport and handling of dangerous goods can exacerbate this risk.

The probability of this risk remains moderate but its impact could be very high.

3.1.3 COMPLIANCE RISKS

a) Risks relating to the regulated nature of Getlink's business

Net materiality

Risk identification and description

The Group operates in a highly regulated environment, as set out in chapter 8 of this Universal Registration Document, which results in a high degree of dependency on decisions and measures over which the Group has very little or no influence. Although regulatory changes may bring new market opportunities for the Group's activities, they also generate risks. Like any business operating in the United Kingdom, the Group faces legal and regulatory uncertainty. The uncertainties of the outcome of negotiations during the Transition Period on future changes in regulations, their interpretation or their application by the regulators, the authorities or the courts may lead to additional costs for the Group and affect its activity, its reputation, financial position and/or its results. The relevant authorities could also adopt other stricter rules or rules in new areas that are not currently considered, with similar effect.

The Group is aware of the strong legal and regulatory framework in which it operates and seeks as far as possible to conduct communication actions and implement communication and awareness-raising to safeguard the Group's interests.

Control and mitigation

A dedicated department, the Public Affairs Department, oversees compliance with the rights and duties arising from the Concession by both the ceding States and the Concessionaires, and liaises between and closely monitors relationships with IGC, the French regulatory authority ARAF and the corresponding British regulatory authority ORR, which are responsible for economic regulation of the Fixed Link, as well as the national and European lawmakers. The Concessionaires and the regulatory authorities work together in a collaborative approach and have established a work programme spanning several years in order to optimise dialogue.

The risk is mainly external. Eurotunnel's ability to control this risk consists of carrying out awareness-raising activities with the possibility of recourse to the courts as a last resort.

b) Risks linked to the binational nature of the organisation

i) Non-compliance with competition law

Net materiality

Risk identification and description

Given the binational nature of the business, its activities and especially in the changing regulatory context of Brexit, Getlink could find itself in breach of laws, regulations and so on, in particular as a result of differing positions of the authorities.

The provisions of competition law, the application of which is controlled by the French and British competition authorities and the European Commission, apply to the Group's entities in the countries in which they operate (France and the United Kingdom). Violation of competition law is punishable with fines and, in certain countries, can render the individuals involved liable to criminal sanctions. Any proceedings initiated by a competition authority could, in the event of a guilty verdict, give rise to the payment of fines and, where appropriate, damages and interest, which could have a significant impact on the image of the Group, its financial position and its results.

Control and mitigation

The management of this risk is carefully monitored by several departments and, in particular, by the Group's Legal Department through a monitoring procedure and meetings with the relevant operational departments.

The Legal Department organises awareness activity and preventive measures. It is difficult to control changes in legislation and the way they are interpreted by the regulatory authorities so control remains weak.

ii) Non-compliance with obligations related to the protection of personal information

Net materiality

Risk identification and description

Given the binational nature of the organisation, its activities and a fortiori in the changing regulatory context of Brexit, Getlink could find itself in breach of laws, regulations and the like, in particular as a result of the authorities' differing positions.

With regard to the confidentiality of personal data including in the context of the GDPR legislation, the risk is that the Group does not provide its customers or stakeholders with the required level of protection for their data, which could damage the company's reputation and result in financial penalties. The GDPR regulations apply to the Group and fines may amount to 4% of revenue. The nature of Brexit-related projects such as smart borders, and ETIAS which permits the tracking of visitors from countries that do not need a visa to enter the Schengen area, may increase the critical nature of this risk. Challenges to these projects for GDPR reasons could have a major impact on Eurotunnel's operations.

Control and mitigation

The structure in place ensures that within each of the business sectors and departments the applicable French, British and European legislation is respected. Getlink has established several policies and procedures to protect the personal data of employees, customers, suppliers and third parties. The "Personal Data Protection Policy" drawn up in 2016 has been reviewed in accordance with the GDPR.

The Group has put in place mitigation measures to reduce the impact, including:

- A Group legal policy published and disseminated;
- Appointment of two Data Protection Officers (DPO and Deputy DPO);
- Enhanced team communication: enhanced and regular training of key persons (data protection correspondents - DPC) in the protection of personal data; an online training module available to all employees; a dedicated intranet page on the subject of personal data, containing compliance documents and tools for members of staff;
- A data processing register; and
- A system for reporting situations of non-compliance.

Legal alerts and monitoring of the register are in place.

Even if this risk remains moderate for the Group, the significant increase in cyber activity targeting personal data could increase the impact and probability of this risk when set against the context of current projects.

iii) Changes in tax regulations

Net materiality

Risk identification and description

Changes in the tax regime could result in an increase in taxes. Until recently, the impact of this risk was minimal as the Group was loss-making. Now that the Group is making a profit, the impact is greater even though the Group has significant tax loss carry forwards in the UK and France. The reassessment of UK Business rates in April 2017 resulted in a significant increase. A new assessment will take place in April 2021.

Current changes, particularly the BEPS (Base Erosion and Profit Shifting) measures, could impact the Group, and French-British taxation could also be impacted by the consequences of Brexit.

Control and mitigation

The Group is keen to comply with local tax laws and regulations so it relies on a network of tax professionals to ensure compliance with its obligations in this area and thus limit tax risk to a reasonable and customary level. A tax model has been set up incorporating the impact of medium- and long-term changes.

The publication of the tax strategy and the implementation of a risk mapping and various means of control covering tax evasion are measures designed to meet the legal and regulatory framework.

This risk remains moderate in view of the resources that have been developed.

3.2 LEGAL AND ARBITRATION PROCEEDINGS

In the course of its business, the Group and its subsidiaries can be involved, like any organisation, in various administrative, legal or arbitration procedures, the most significant of which are discussed in more detail below.

More generally, it cannot be ruled out that, in the future, new legal proceedings, whether related to ongoing proceedings or not, could be brought against any of the Group's entities or their legal representatives. Were such proceedings to have an unfavourable outcome, they could have an adverse impact on the business, financial position or results of the Group, its image or that of its corporate officers.

The Legal, Public Affairs, Human Resources and Finance departments work to resolve ongoing and potential disputes as well as improving procedures and training aimed at minimising the risk of litigation.

3.2.1 SIGNIFICANT PROCEEDINGS

a) Litigation relating to the cessation of the maritime activity

The cessation of the maritime activity on 1 July 2015 has led to several proceedings, including by the liquidator of SCOP SeaFrance and the AGS (the French insolvency fund for the management of employee claims) as well as the legal challenge by DFDS as to the exercise price of the put options for the two ferries.

Regarding the sale of the ships, DFDS brought a claim in arbitration for restitution of part of the purchase price. The Group considers that the amount paid corresponds to the terms of the agreement. The Paris Maritime Arbitration Chamber rejected all DFDS's claims for principal and interest (award dated 26 February 2019). DFDS has requested a second instance review and the hearing was held in November 2019 before a new panel of arbitrators. The award is expected on 14 June 2020.

The liquidator of SCOP SeaFrance, ex-charterer of the ships, has brought a claim before the Commercial Court in France to obtain payment of an alleged debt based on charter party and capacity contracts concluded between MyFerryLink SAS and SCOP SeaFrance. SCOP SeaFrance's claim was unsuccessful before the Commercial Court of Lille; it then decided to bring a claim before the Commercial Court of Boulogne-sur-Mer which has not set a procedure timetable (such a timetable is not mandatory, it depends on each court). MyFerryLink SAS has a significant receivable on SCOP SeaFrance in respect of penalties for the late delivery of ships. This receivable is impaired.

On 1 December 2017, the liquidator filed an action before the enforcement judge to obtain payment of the penalty imposed by the Commercial Court of Boulogne-sur-Mer concerning the communication of certain documents. The principle relating to the communication of documents and whether the penalty, the amount of which had been fixed by the Court, is justified are the subject of an appeal to the Court of Appeal of Amiens.

On 12 May 2017, the liquidator filed an action before the Commercial Court of Paris to obtain recognition of the existence of a *de facto* partnership between SCOP SeaFrance, Getlink SE and its maritime subsidiaries. The Commercial Court rejected all of the liquidator's claims and ordered it to pay court costs in a judgment delivered on 30 January 2018. On 8 March 2018, the liquidator lodged an appeal against this judgment.

On 3 July 2018, the Court of Appeal of Paris appointed a court mediator in order to reach an amicable settlement for all claims involving the liquidator of SCOP SeaFrance and the AGS. A draft settlement agreement was formalised by the parties in December 2019. The Commercial Court of Boulogne-sur-Mer authorised a settlement in principle in February 2020. The finalisation of the agreement remains subject to the withdrawal of AGS's proceedings and actions.

The AGS (wage guarantee insurance association) brought a claim before the Commercial Court of Paris in August 2016 to obtain the reimbursement of the sums paid to SCOP SeaFrance as salary debts. The claim concerns the corporate owners of the ships and the holding company, as well as MyFerryLink SAS and Getlink SE. The proceedings are at the pre-trial stage and are also the subject of the court mediation as set out in the preceding paragraph.

The Société d'Exploitation des Ports du Détroit (SEPD, the company operating the ports of Calais and Boulogne-sur-Mer) succeeded in a claim before the Commercial Court of Lille to obtain payment of port fees in relation to the mooring of the Rodin and Berlioz ships during the summer of 2015. The Group is appealing the Court's judgment on the grounds that the operator alone, namely SCOP SeaFrance, is responsible for such fees.

b) Litigation relating to Eurotunnel activity

The expert measures expedited at the Concession site following the 2008 fire have ended. The Court experts have filed their report at the Commercial Court. The carriers' claims, which have been frozen since 2008, will now be considered by the competent court. The Group's insurance policies cover such claims and the Group's interests will be defended by its third-party liability insurer.

In 2016, France-Manche SA was indicted following a workplace accident in 2011 during work in the Tunnel involving a sub-contractor. The criminal investigation is still in progress and may last several years.

In 2017, a sub-contractor's temporary worker had a work accident on the concession site. The public prosecutor's office referred Getlink to the Criminal Court of Boulogne-sur-Mer, which finally dismissed the case against Getlink and France-Manche.

No natural persons from the Group, managers or otherwise, have been indicted. The safety of employees and sub-contractors remains the Group's priority as set out in chapter 6 of this Universal Registration Document.

c) Litigation relating to Europorte activity

Following a tendering process launched by the Grand Port Maritime de Bordeaux (GPMB) to operate the Verdon port terminal, Europorte entered into a terminal operator agreement with GMPB, and a contract for port handling services with Société de Manutention Portuaire Aquitaine (SMPA) in 2015.

In 2016, following discussions between the various stakeholders aimed at establishing the necessary conditions to start operating the terminal, in what was a difficult social and competitive environment, Europorte terminated the above contracts in application of the relevant contractual provisions. GPMB nonetheless decided to substitute the initial contractor for SMPA, at Europorte's risk and expense. This decision was initially overturned by the Administrative Court of Bordeaux but later upheld by a Council of State order dated 14 February 2017. Several actions are ongoing before the Bordeaux Court, firstly to cancel this decision (claim for damages lodged by Europorte on 10 August 2018) and secondly to contest the late payment penalties and occupation fees invoiced to Europorte by GPMB (appeal of the judgement of the Administrative Court of Bordeaux of 2 July 2018 having partially allowed the enforcement orders in question).

SMPA has been unable to operate the Verdon port terminal. Its appointment ended on 21 March 2018 pursuant to the provisions of the port terminal agreement. The tendering process to award a new port terminal agreement launched by GPMB on 7 July 2017 has been declared unsuccessful.

By order dated 28 June 2017, receivership proceedings were launched before the Commercial Court of Bordeaux in respect of SMPA. On 23 December 2017, SMPA brought an action against Europorte before the Commercial Court of Bordeaux to obtain compensation for alleged damages. Those proceedings were converted into judicial liquidation proceedings by judgment of 29 May 2019.

3.2.2 IMPACT ON THE FINANCIAL POSITION AND PROFITABILITY OF THE GROUP

As far as it is aware, and subject to the paragraphs above, the Group and its subsidiaries have not during the last 12 months been involved in any judicial or governmental proceedings or arbitration that is ongoing or suspended, which could have or has had a significant negative effect on its financial position or profitability.

As at 31 December 2019, the amount of provisions for all litigation or procedural risks in which the Group is involved amounts to €12 million.

3.3 INSURANCE AND RISK COVERAGE

Getlink SE's insurance programmes consist primarily of policies covering material damage and business interruption (including terrorism) and third-party liability.

Regarding the Fixed Link, the insurance policy for damage to property and operating losses (including terrorism) covers up to a total limit of €700 million, now in a single layer. The policy was renegotiated and renewed on 1 January 2020 for a period of one year, ending on 31 December 2020.

The third-party liability policy taken out by the Group (except specific programmes) was also renegotiated and renewed on 1 January 2019 for a period of two years, ending on 31 December 2020.

The specific insurance programme for EPF, EPP and Socorail which was already in place, has been renewed for the period 1 January 2020 to 31 December 2021. It includes cover for material damage and business interruption, third-party liability and environmental damage.

In certain circumstances, payments by insurance companies under existing insurance guarantees may not be sufficient to cover all of the loss suffered. Losses in excess of the agreed indemnity limits or the application of deductibles or certain exclusion clauses could result in the Group incurring unforeseen costs, affect its business, financial position or results.

In addition, changes to the insurance market and the occurrence of operational incidents could lead to an adverse change in the Group's insurance programme and the terms and conditions of such insurance, such as the level of premiums, the level of insurance deductibles and the scope of any exclusions which could have an adverse impact on the Group's business, financial position or results.

As part of these risk management procedures, the Group constantly monitors the adequacy of coverage and actions to be undertaken. In 2019, the insurance coverage was sufficient for the needs of the Group.

3.4 INTERNAL CONTROL AND RISK MANAGEMENT ARRANGEMENTS

The control environment, which is essential to the internal control system, to good risk management and to the application of procedures, relies on behaviour, organisation and team members. It is part of a culture of commitment and rigour communicated by the Group. Individual and collective commitment is essential to the adoption of behaviour founded on integrity and transparency, in order to act ethically and contribute to the long-term success of the Group.

Each year the Group develops and strengthens its compliance culture, basing it on a new Ethics Charter that is the bedrock on which the set of internal policies, code of conduct and procedures adopted by Getlink are based. The Chairman and Chief Executive Officer sends out a strong message of "zero tolerance", in particular in the fight against corruption.

This section presents the internal control and risk management measures taken by the Group, including management of ethics and compliance risk.

3.4.1 DEFINITION AND OBJECTIVES OF INTERNAL CONTROL AND RISK MANAGEMENT

a) Legal and reference framework

Pursuant to article L. 225-100-1 of the French Commercial Code, the Getlink SE Board of Directors presents, in its management report, the main aspects of the internal control and risk management procedures implemented by the company for the preparation and processing of accounting and financial information.

This report was drafted in keeping with the Reference Framework recommended by the AMF (French financial markets regulator) dated 22 July 2010.

The report was examined by the Audit Committee and then reviewed and finalised by the Board of Getlink SE on 12 February 2020.

b) Definition, objectives and scope of internal control and risk management

Management of risks is a dynamic process at Getlink, consisting of a combination of means, processes, behaviour, procedures and actions adapted to the specific features of each company. It contributes to the effective management of the company's business, the efficiency of its operations and the efficient use of its resources and should enable it to appropriately factor in all significant risks, be they operational, financial or compliance. The process goes beyond the strictly financial sphere and encompasses the various types of risk including operational risk.

Specifically, the process seeks to ensure:

- compliance with the laws and regulations in force;
- the application of instructions set by the general management;
- the proper functioning of the internal processes, particularly those related to safeguarding its tangible and intangible assets;
- the reliability of financial information.

Internal control is not restricted to a set of procedures or mere accounting and financial processes and it does not encompass all the initiatives undertaken by corporate or management bodies.

Getlink's corporate governance system rests on three lines of control in accordance with the IFACI (French institute of internal audit and control) recommendations, which define the roles and responsibilities of operational management, cross-disciplinary functions and internal audit.

The internal control and risk management system extends to all Group entities included in the scope of consolidation.

3.4.2 COMPREHENSIVE RISK MANAGEMENT AND INTERNAL CONTROL PROCESS

a) Risk management procedures

The objective of the Group's risk management process is to enable general management and the Board to:

- have an overall, consistent and structured view of all types of major risks to which the business is exposed and changes therein; and
- assess the appropriateness of the mitigating measures implemented by those responsible for managing each of the risks in the light of their potential impact on the strategic objectives.

Risk management contributes to creating and preserving the Group's value, assets and reputation.

i) Identification and analysis of risks

This first stage allows the key risks that threaten the achievement of the objectives to be identified and consolidated. This identification is followed by an analysis which involves examining the potential consequences of the key risks whether financial, human, legal or related to reputation and estimating the likelihood that they may occur.

ii) Risk management

The risk management system is monitored and regularly reviewed with a view to its ongoing improvement. The aim is to identify and assess key potential risks and draw lessons from incidents.

The process includes a formal annual review presented to the Audit Committee and, subsequently, to the Board of Getlink SE, at the end of the financial year under consideration. Coordinating their work with each other and the Safety and Security Committee, the Audit Committee and the Board of Directors oversee the annual review of strategic financial, operational and non-financial risks, as well as their ranking and presentation in the Universal Registration Document. The risk reviews are based on the strategic plan applicable at the date of the relevant review.

Risk reviews are coordinated by the person in charge of risk management in the organisation. These reviews help to assess the risks facing the business and to identify and assess the mitigating measures put in place to manage them. They enable a risk mapping.

The process, which consists primarily of formal interviews with directors and senior management across the business, comprises two parallel approaches:

- a top-down approach, consisting of the identification of the risks linked to strategic initiatives (both from the point of view of their direct effect on the business and the knock-on effect that they may generate on pre-existing risks) and changes in the business's economic environment; and
- a traditional bottom-up approach which seeks to identify risks in each of the main business areas (commercial, technical/operational, financial, staff, safety and security, environment and corporate governance).

The Group's Financial Control Department, with the main business units and senior management, continued to measure in 2019 the risk appetite approved by the Board, as well as the level of risk that the Group is willing to take in a given area in order to achieve its objectives. Risk appetite can be expressed through quantitative and qualitative criteria. The Group's appetite for risk is implemented by general management and applied by departments of the various entities and functional departments, through:

- governance (bodies and decision mechanisms, supervision and monitoring);
- supervision (identifying key risks to watch, risk management policies comprising limits); and
- monitoring (budget monitoring, reporting).

iii) Treatment and monitoring of risks

Each risk is assigned a level of control that corresponds to the systems of selecting and implementing the measures aimed at reducing the risk. The company may envisage a number of measures: reduction, transfer, deletion or acceptance of a risk. The choice of how to manage a risk will involve weighing opportunities against the costs of risk management measures, while also taking account of their possible effects on the likelihood and/or consequences of the risk occurring. The controls to be put in place fall under the scope of the internal control system. In this way, the internal control system contributes to the management of risks incurred in the business's activities.

The risk manager and Internal Audit continually monitor major risks and new or emerging risks and any significant changes are reported to the executive committee and to the Audit Committee.

The mapping of risks is brought up to date periodically. This risk identification and management approach strengthens awareness of the Group's risks and builds on existing work in order to establish appropriate action plans.

b) Internal control components

Internal control comprises five closely related components, as follows:

- control environment;
- risk assessment;
- control activities;
- information and communication;
- monitoring.

They are implemented by the Group as follows:

i) Control environment

The control environment, which is key to the internal control system and essential for good risk management and procedural application, is based on human behaviour and is the foundation for other internal control elements.

Getlink SE's control environment is based on the following components:

- A general human resources policy which sets out the Group's values and operating principles, as well as the key measures in place in relation to working conditions and practices, staff training and development and standards of conduct.
- The interest shown by the Board of Directors in internal control and general management's will to continuously improve operational processes.
- The definition of responsibilities through an organisation chart, distributed on the intranet and the introduction of a delegation of authority procedure and approval limits.
- The existence of a body of operating policies and procedures, documented for all the main business segments.
- The existence of a formal monthly reporting process and regular budget reviews ensuring good financial management within the business.

ii) Risk assessment

Every business is faced with external and internal risks that may prevent the full realisation of its objectives.

The Group relies on several processes to identify the risks and take them into account:

- The annual budget and five-year plan set the operating and commercial objectives in the business's main fields of activity and the financial results expected. They are presented to the Board of Directors of Getlink SE after having been reviewed by the Audit Committee.
- Key performance indicators (KPIs) are established for the main identified risk areas, including safety, commercial performance and operational reliability. The members of the executive committee are informed of the state of these indicators on a weekly basis.
- An annual risk review as described in section 3.4.2.a above.

iii) Control activities

Control activities proportionate to the specific challenges of each process seek to provide assurance that the necessary measures are taken to control the risks likely to impact the attainment of objectives. Application of standards and procedures contributes to the implementation of management directives. Control activities are carried out at all hierarchical and functional levels of the company. For each business area, specific measures are recommended to respect the key points of internal control.

The Corporate Committee established by the Board of Directors ensures the communication within the Group of the ethics culture and principles that serve as the basis for the work of the other Board committees and executive and corporate officers. The Compliance Department steers the implementation of compliance action plans (drawing-up policies, making tools available, policy implementation support, awareness and training actions) in close collaboration with all the departments concerned, including Internal Control, the Legal Department and the Human Resources Department and the Purchasing Department. Assessment of ethical risks is an integral part of the analysis approach of the Group and its subsidiaries. Responsibility for ethics and compliance is exercised at all levels of management. Since 2019, a new Ethics Charter, which has a more down-to-earth format containing a greater number of illustrations and offering a practical guide to ethics, forms the bedrock underpinning all internal policies, codes of conduct and specific procedures adopted by Getlink (anti-corruption policy, competition policy and protection of personal data etc). A Securities Ethics Charter, in place since 2010 and regularly updated, sets out the measures to prevent insider trading and establishes “trading closed periods”.

In the interests of continual improvement, in 2019 Getlink launched an awareness programme, which is called Get Compliant 2019.

In accordance with the “zero tolerance” message promoted by the Chairman and Chief Executive Officer with respect to all types of corruption, the Group, which is subject to the Sapin II law, has defined a rigorous corruption risk prevention programme which is applicable to all Group entities and is founded on team member training and information campaigns to raise awareness of major fraud and corruption risks. A map of corruption and influence peddling has been created in conjunction with internal stakeholders in order to identify the types of risks to which the Group could be exposed in the course of its operations. A third-party evaluation procedure has also been developed with several levels of controls. An anti-corruption policy and a whistleblowing system have been implemented. All team members can contact the Group’s ethics officer if they consider that communicating information to a line manager could present difficulties or not result in the proper follow-up.

The Group is keen to comply with local tax laws and regulations so from the outset it has relied on a network of tax professionals to ensure compliance with its obligations in this area and thus limit tax risk to a reasonable and customary level. A tax model has been set up incorporating the impact of medium- and long-term changes. The publication of the tax strategy and the implementation of a risk mapping and various means of control covering tax evasion are measures designed to meet the legal and regulatory framework. Each year, in accordance with the UK Criminal Finances Act 2017 the Group maps its risk of exposure to facilitating tax evasion and the appropriate prevention procedures are now in place.

With regard to Human Resources, the French Group Committee provides an opportunity for the mutual sharing of information, an exchange of viewpoints and dialogue between French employee representatives and the Group’s management on strategic objectives and key staff issues and to keep employees abreast of developments and the future outlook for the Group. A European Company Council is the staff representative body representing staff in France and the United Kingdom (trade union or elected representatives) and Group management: this consultation and dialogue body at European level provides a forum for communicating information on the major issues concerning the European company. A Group intranet site enables each and every team member to have access to information on his or her subsidiary and those of Getlink SE, particularly where internal control procedures are concerned.

In the area of Corporate Social Responsibility, the Group has adopted a formal CSR policy (signed on 13 March 2015) that is upheld and supported at the highest level of the organisation by the Chairman and Chief Executive Officer. It outlines the principles and the commitments of the Group, describes the social, territorial, environmental, economic and ethical challenges, and defines the commitments to be met. Since 2018, the Group has published a NFPS (non-financial performance statement) for the 2018 financial year. Getlink has an organisation and structured governance detailed in section 6.2 of this Universal Registration Document, which was strengthened in 2019 by the creation of the position of Group CSR Director within the executive committee.

Moreover, since 2013, the Group is also signatory to the United Nations Global Compact and has fully embraced its ten key principles, notably those relating to human rights and employment law.

With regard to procurement, the Code of Conduct for Purchasing, brought up to date in 2011, is the guide to practices and ethics that enables each team member to comply with the applicable laws and regulations. It also helps develop a climate of trust between Group representatives and persons outside the business. Formal purchasing procedures and delegations of authority are in place for the management and approval of purchases. In addition, a Responsible Supplier Charter has been in place since 2010, to build lasting and balanced relationships between customers and suppliers with recourse to the Group mediator. Finally, the call for tender procedures specify the conditions of competition and referencing for the main suppliers.

In respect of safety, procedures related to the protection of people, goods and data underpin the risk cover principles in terms of organisation and safety. The Board’s Safety and Security Committee monitors performance in these areas by means of quarterly reports from the Security and Sustainable Development Department. These include the reporting of safety performance against target, the results of safety evaluations and an update on security matters. The Safety and Security Committee has created two subgroups, one responsible for emergency planning and the BINAT exercises and the other for security issues. Furthermore, a formal document entitled SMS (Safety Management System) is updated as necessary and at least once every five years by the Safety and Sustainable Development Department. This document identifies the major risks to which the business’s customers, employees, sub-contractors and visitors are exposed, and the measures in place to manage them. The SMS is formally approved by the Safety Authority of the Intergovernmental Commission.

In respect of insurance, the Group chooses to call only on top ranking insurers. It uses programmes to cover, in particular, the third-party liability of all its entities and material damage and business interruption consequent upon a covered loss. An analysis of the relevance of insurance coverage is carried out every three years, and is revised during the renewal of insurance policies.

With regard to treasury activities, the corporate treasury risk management committee (TRMC) regularly examines fluctuations in exchange and interest rates and the use of financial instruments, as well as monitoring cash flows, liquidity and compliance with the restrictions imposed by banking agreements. The investment and cash management policies are approved annually by the Board of Directors of Getlink SE. The treasury plan enables monitoring within a foreseeable time-scale of the liquidity of each of the various Group entities.

Following the DGCCRF (the French general directorate for competition policy, consumer affairs and fraud control) 2018 audit of payment deadlines, the Group was sanctioned and “named and shamed”. The substantial fine was reduced. Nevertheless, the Group is in the process of strengthening its management and Group policies.

The Group has put a tool in place to model its processes in order to control and secure its activities according to risk, the essential aim of which is to achieve a clear distinction between objectives, risks and controls.

iv) Internal information and communication

The Group ensures the internal distribution of relevant and reliable information, knowledge of which enables each individual to exercise their responsibilities.

The Board of Directors of Getlink SE is regularly provided with the information that it requires:

- annually, the strategic plan and the annual budget;
- monthly, a report containing information on financial results and the financial position and a summary of the operational and commercial performance.

The Audit Committee, the Nominations Committee, the Remuneration Committee, the Safety and Security Committee, the Corporate Committee and the Economic Regulations Monitoring Committee of the Board of Getlink SE receive reports relating to their work at each of their periodic meetings. The chairmen of these committees keep the Board of Directors of Getlink SE informed of the work of their committees.

The members of the executive committee of Getlink SE receive the following documents for their information:

- monthly, a report on the financial results and analysis of performance in relation to the budget;
- monthly, a “dashboard” containing the key performance indicators for each business segment (safety, commercial performance and market share, productivity and operational reliability, quality of service, employee headcount and related statistics, financial results with comparison against the budget and against the most recent forecasts);
- weekly, a report setting out key information related to safety, human resources, operations, and to commercial and financial performance.

Regular communication with Group personnel is achieved through the Group intranet which allows each team member to obtain information on the Group’s main activities and on new policies and procedures applicable within the business. In addition, a newsletter is produced for each subsidiary. Periodic meetings called the Management Forum, bring together key managers for general discussions.

v) Monitoring and supervision

The Audit Committee and the Board of Directors oversee the internal control monitoring arrangements. Monitoring forms part of the Group’s day-to-day operations, and includes regular management and supervisory activities, as well as the work carried out by the audit functions. During 2019 and up to the date of this Universal Registration Document, the Group has not identified any major shortcomings in its internal control system.

Monitoring and supervision fall to the following parties:

General management

The mission of general management is to define the strategic aspects of the risk management and internal control systems and to ensure their implementation. To do so, it is supported by the operational departments.

The Audit Committee

Twice a year, the Committee examines the internal audit plan and its objectives, as well as the general conclusions of internal audit missions. The initiatives and projects that shape internal control are also presented to it. The Audit Committee then reports on its activities to the Board.

The Group Financial Control Department

The Group Financial Control Department is responsible for all finance functions within the Group, through its centralised functions (planning, reporting, consolidation, tax matters, accounting and cash) and through its functional links with the financial director of each segment. It encourages a sound understanding of the Group’s internal control rules as well as their dissemination and proper application, and it monitors the progress of internal control and risk management projects.

The Risk Management and Internal Control Department reports to the Group’s Financial Control Department. This department is responsible for implementation and monitoring of the key risk mapping in order to minimise the impact of adverse events and fully capitalise on opportunities. It is also tasked with the development and deployment of internal control throughout the entire Group. Alongside professional experts, it coordinates the implementation of projects and internal control tasks decided by executive officers.

The Internal Audit Department

The Internal Audit Department reports to the Group’s general management. Twice a year, the Head of Internal Audit reports to the Audit Committee on the work undertaken by his department. Internal Audit plans audit work in order to ensure appropriate coverage of all the main risk factors and it submits an audit plan to the Audit Committee. A formal process exists for the correction of weaknesses highlighted in internal audit reports. The status of corrective actions is presented to the Audit Committee.

The Internal Audit Department comprises a central team which performs regular consulting and assurance assignments in the business units, as well as on corporate or cross-departmental subjects. For each assignment, a report is drawn up stating the general opinion on the level of control over the risks inherent to the activity concerned, and the findings identified as well as its recommendations in the form of an action plan to be implemented by the audited entity. This report is passed on to the functional department concerned and to the Deputy Chief Executive Officer and to the Chairman and Chief Executive Officer.

An integral part of the corporate risk assessment, Internal Audit takes part in the annual risk review and assesses the appropriateness and effectiveness of measures in place to mitigate the identified risks. The results of the corporate risk assessment and the internal audit review are presented to the Audit Committee.

The Internal Audit Department maps the insurance activities showing the extent of coverage for the major risks faced by the organisation. In particular, Internal Audit consults the Safety and Security Committee each year to identify all the insurance activity requirements in these areas.

Since 2012, the quality of the Internal Audit Department's work has been evaluated by IFACI (Institut français de l'audit et du contrôle internes – the French institute of internal audit and control), under the International Professional Practices Framework (IPPF) for the internal audit profession.

Specific committees

The Group has a number of specific committees relating to internal control:

- the investment committee which endorses the Group's major investment projects,
- the treasury risk management committee,
- the steering compliance committee.

The Concessionaires have set up operational committees for the following specific areas:

- safety,
- operating performance (service quality and customer experience),
- IT projects,
- information systems security bringing together all Group departments to identify cyber security risks.

Specific monitoring groups oversee progress achieved in key projects.

3.4.3 INTERNAL CONTROL PROCEDURES RELATED TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

a) Monitoring the accounting and financial structure

i) Structure

The Group Financial Control Department is responsible for preparing the Group's parent and consolidated financial statements and implementing the internal control systems related to finance and accounting. To this end, it has put in place a monitoring function to identify and manage the main risks that could potentially impact the preparation of accounting and financial information published by the Group:

- it ensures the Group has the organisation and resources in place to guarantee that the financial statements reflect its transactions accurately and in full;
- it oversees, via the management reporting processes, the reliability of the published accounting and financial information;
- it supervises the preparation and year-end closing of the financial statements, paying particular attention to the accounting treatment of major or complex transactions, the quality of estimates used in the consolidated financial statements and the year-end closing procedures that are considered sensitive; and
- it is informed of the statutory auditors' conclusions drawn from their work on the parent company and consolidated financial statements. It also keeps itself abreast of any significant risks or major weakness in internal control notified by the statutory auditors and makes sure that these are addressed via the corrective actions implemented by the Group.

Financial management is centralised in the Group's Financial Control Department, which is responsible for defining the Group's accounting rules and policies, cash management, consolidation of the Group financial statements and financial reporting. This centralised responsibility covers all the Group accounting entities in France and the UK.

Accounts management is performed by each entity in accordance with the Group's accounting principles. Data is then passed to the Group's Financial Control Department for consolidation.

The Audit Committee plays a crucial role in controlling the Group's financial reporting and in preparatory work for the approval of the annual financial statements and consideration of the interim financial statements by the Board, in particular:

- any changes to accounting policies are reviewed by the Audit Committee;
- the Group Financial Control Department submits a report to the Audit Committee on major accounting and reporting issues and options at each accounts closing;
- the Audit Committee reviews the annual and half-year consolidated financial statements before their presentation to the Getlink SE Board;
- at its meetings, the Committee receives formal reports drawn up by the statutory auditors, financial management, internal audit and the treasury and risk management departments.

ii) The accounting rules

The quality of accounting and financial information relies on observance of the accounting rules and principles during both the accounts production process and the year-end closing process, to ensure that the information contained in the financial statements is true and fair.

The rules to be observed for accounts production and in the upstream processes are the following: truthfulness of transactions and events recorded, completeness of all transactions and events, accurate measurement of transactions amounts, the accruals principle and appropriate classification of transactions and events in the accounts.

The rules to be observed for the year-end closing process are the following: existence of assets and liabilities, rights and obligations, completeness of assets and liabilities, accurate measurement and allocation of assets and liabilities, appropriate presentation and intelligibility of the financial information, truthfulness of rights and obligations, accurate measurement and assessment of financial information.

These rules are set forth in written procedures and cover all operations performed by the Group's Financial Control Department; they are accessible and are conveyed to the various Group entities.

iii) Organisation and security of information systems

A single integrated accounting system, SAP, is used across all accounting entities. The upload of transactions and accounting data from other SAP modules is automatic. For systems outside the integrated SAP environment – principally in the areas of passenger sales – accounting data uploads are automated. Reconciliation and verification controls are in place to ensure the completeness and accuracy of these interfaces.

The IT systems and environment are organised to ensure secure, reliable, accessible and relevant provision of accounting and financial information. Controls are in place to ensure the physical security of hardware and software, the integrity of data and the continuity of operation of the major computer systems. The Group has set up enhanced system protection measures in the face of increasing risks of unauthorised intrusion into information systems and its possible consequences, from inappropriate access to loss of data.

b) Processes involved in the preparation of accounting and financial information

i) Transaction accounting

The reliability of published financial information depends on adequate controls over the transactions giving rise to accounting entries to ensure they are accurate, complete and compliant with the standards in force. These controls are applied for all processes feeding into the accounts, particularly operating revenue, purchases, inventory control, fixed assets, payroll and treasury, in addition to capital transactions and provisions and commitments. The month-end closures, including detailed verification of the main revenue and expenditure accounts, are carried out by the budget controllers. Formal balance sheet reconciliations are also carried out by the accounts department.

Financial and management accounting is integrated and prepared using the same source data. Monthly reconciliations are carried out between management accounting data and the accounting data used to prepare the published accounting and financial information.

ii) Consolidation

- Consolidation of the financial statements of the various Group entities is carried out centrally by the Group's Financial Control Department, which ensures that the scope and rules of consolidation are kept up to date.
- There is a formal process for preparing the Group's consolidated financial statements that includes:
  - advance reporting dates allowing the Group to anticipate the accounting treatment of complex transactions;
  - publication by the Group's Financial Control Department of a timetable and period-end closing instructions for the subsidiaries;
  - preparation of consolidation packages by subsidiaries to ensure standardisation in the application of Group accounting policies and in the information reported in the Group's consolidated financial statements.

iii) External communication of financial information

An annual timetable is drawn up by the Group's Financial Control Department setting out the periodic obligations related to the provision of accounting and financial communications to the market.

Formal processes are in place to ensure that:

- information is communicated externally in a timely manner and in compliance with the laws and regulations in force;
- sensitive information remains confidential;
- all information, including non-accounting information presented in support of financial communications, is checked before release;
- information meeting the definition of inside information is communicated to the market at the right time, in compliance with the relevant rules.

iv) Statutory auditors

Independently of the Group's Financial Control department, the statutory auditors, as part of their work to audit and certify the financial statements, carry out a review of the internal control procedures used to prepare and ensure the quality of the financial statements.

CORPORATE GOVERNANCE

RESPONSIBLE GOVERNANCE IN LINE WITH TOMORROW'S CHALLENGES

The governance structure of Getlink is adapted to the specific needs of the business arising from its binational nature and is part of a continuous improvement process in accordance with the Afep/Medef Code, in order to support the overall vision for the development of the Group over the next decade. It is based on a separation of the functions of the Chairman and CEO with a new Chief Executive Officer and a responsible and highly experienced Board of Directors which is also international, diversified and renewed in its composition enabling it to set long-term strategic orientation and to oversee its implementation.

SEPARATION OF EXECUTIVE RESPONSIBILITIES

(from 1st July 2020)

Chairman of the Board of Directors
Jacques Gounon

Chief Executive Officer
Yann Leriche

A PARTICIPATIVE AND ASSIDUOUS BOARD OF DIRECTORS IN 2019

Activity of the Board of Directors in 2019

9
Board meetings

97%
Attendance rate for the Board

In 2019, the Board of Directors was organised into 6 committees with complementary expertise.

23
Board Committee meetings in total

4
Board Committees chaired by women:
- Audit Committee
- Nominations Committee
- Remuneration Committee
- Economic Regulations Monitoring Committee

100%
Attendance rate in 2019:
- Nominations Committee
- Remuneration Committee
- Corporate Committee

4 CORPORATE GOVERNANCE

4.1 GENERAL MANAGEMENT **147**

4.1.1 Chief Executive Officer and Deputy Chief Executive Officers 147
4.1.2 Service contracts between members of the Board of Directors and general management and Getlink SE 150
4.1.3 Executive committee 150

4.2 COMPOSITION AND FUNCTIONING OF THE BOARD OF DIRECTORS **153**

4.2.1 Board of Directors 153
4.2.2 Conflicts of interest within the Board of Directors, the management and general management 166
4.2.3 Directors' and executive officers' interests in Getlink SE's share capital 167
4.2.4 Statements regarding directors and officers 167
4.2.5 Terms applicable to the preparation and organisation of the work of the Board of Directors 168
4.2.6 Self-assessment of the Board of Directors 186
4.2.7 Concession Coordination Committee 187
4.2.8 Principles and rules relating to the determination of remuneration and all benefits of any kind granted to corporate officers 187

4.3 STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS **187**

4.4 CORPORATE GOVERNANCE CODE **188**

4.5 ATTENDANCE BY SHAREHOLDERS AT THE GENERAL MEETING AND CURRENT DELEGATIONS **188**

4 CORPORATE GOVERNANCE

This chapter 4 of the Universal Registration Document includes the components of the corporate governance report prepared by the Board of Directors on 26 February 2020, in accordance with Order no. 2017-1162 of 12 July 2017. It incorporates chapter 5 of this Universal Registration Document by reference with regard to the principles and rules laid down by the Board of Directors on the recommendation of the Remuneration Committee to settle the remuneration and benefits of any kind granted to the corporate officers and the total remuneration paid during the year or attributed to the year. The contents of this corporate governance report are listed in detail in the Table of Cross-References annexed to this Universal Registration Document and cover the following matters:

- the list of offices and appointments in any company held by all corporate officers during the past financial year;
- regulated agreements;
- current authorisations agreed by the shareholders in general meeting in relation to increases in capital and the use made of them during the past financial year;
- the choice between the two governance structures, when there has been a change;
- the composition of the Board of Directors and the terms applicable to the preparation and organisation of its work;
- the diversity policy for members of the Board;
- the remuneration policy for executive officers drawn up in accordance with article L. 225-37-2 of the French Commercial Code and the principles and rules drawn up by the Remuneration Committee and the Board to determine the remuneration and benefits of any kind granted to corporate officers and the total remuneration paid during the financial year;
- the limitations, if any, on the powers of the Chief Executive Officer;
- the corporate governance code which Getlink SE has applied; as well as
- the specific arrangements relating to the participation of shareholders in general meetings.

The Chairman and Chief Executive Officer instructed the Company Secretary to compile the preliminary content of the corporate governance report, which was prepared based on the work of various departments and functions including the following: Finance, Financial Control, Internal Audit, Internal Control, Human Resources and Legal. The report was presented to the Remuneration Committee, the Audit Committee, the Corporate Committee and the statutory auditors. It was submitted to general management which considers it to be consistent with the systems in place within the Group. The Board approved it on 26 February 2020.

The corporate governance code to which Getlink SE refers is the code for listed companies drawn up by the Association Française des Entreprises Privées (AFEP) and the Mouvement des Entreprises de France (MEDEF) (hereafter referred to as the Afep/Medef Code).

4.1 GENERAL MANAGEMENT

4.1.1 CHIEF EXECUTIVE OFFICER AND DEPUTY CHIEF EXECUTIVE OFFICERS

Since March 2007, the roles of Chairman and Chief Executive Officer have been joined together with Jacques Gounon carrying out the combined role of Chairman and Chief Executive Officer, this mode of governance having been considered more appropriate in a period of major restructuring and refinancing. The Group governance structure is adapted to the specific needs of the organisation and is part of a continual bid to support the overall development vision of the business:

- to ensure the viability of the business in the first phase of Getlink SE's history; and
- to prioritise more effective and responsive management in the second phase of Getlink SE's history, in order to promote the organisation's development strategy while ensuring the preservation of the infrastructure and complying with the rules of good governance to which the Group has always adhered.

On 30 January 2020, the Board of Directors announced that the roles would be separated into Chairman of the Board of Directors and Chief Executive Officer.

Separation of the roles of Chairman of the Board and Chief Executive Officer

On 30 January 2020, on the recommendation of the Nominations Committee, the Board of Directors decided to implement the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer announced in 2018. The roles will be carried out by:

- Jacques Gounon, the current Chairman and Chief Executive Officer, who will continue as Chairman of the Board of Directors for the duration of his term as a director until the end of the General Meeting called to approve the accounts for the year ending 31 December 2021, and
- Yann Leriche, who will act as Chief Executive Officer for an initial term of office as a director of four years.

Getlink's Board confirms its choice of a governance model that ensures the separation of executive responsibilities from the functions of Chairman and which is in line with best corporate governance practices. This new structure, combined with the progressive rotation of Board members, will further enhance the efficiency and agility of the Board's operations.

The Board of Directors considers that this uncoupled governance structure is the best choice for Getlink. This separation of the roles is intended to enable Getlink SE to benefit both from the Chief Executive Officer's knowledge and industrial expertise and from the Chairman's international stature and his credibility and experience in binational relations, particularly in the context of the implementation of Brexit, set against the international context, in the transport and mobility sector in the broadest sense, and the operational, safety and technical constraints of these activities.

The complementary profiles of Jacques Gounon and Yann Leriche will allow a harmonious governance of the Group, based on a balanced and complementary distribution of the respective roles of the Chairman and the CEO. This separation of functions will allow the succession of Jacques Gounon to be implemented under the best possible conditions, while ensuring a transition phase so that the evolution of Getlink's strategy is carried out in accordance with the company's binational culture and values. This governance structure will allow Yann Leriche to dedicate himself fully to the pursuit of programmes of excellence in the development of the organisation, while benefitting from the strategic vision of Jacques Gounon and his knowledge of the Group acquired during his years as Chairman and Chief Executive Officer.

In-depth process established by collective decision of the Board of Directors

- Getlink SE has followed a thorough, well-thought out and robust process for the evolution of governance agreed by collective decision of the Board of Directors and led by the Nominations Committee.
- The Nominations Committee, after having analysed Getlink's governance and with the assistance of a governance consulting firm, drew up a Board proposal for an objective process for identifying, assessing and selecting internal talent and external candidates and a detailed roadmap.
- The Board of Directors agreed the process then, on the recommendation of the Nominations Committee, determined the key competencies of the individuals sought and the resulting selection criteria.
- After hearing presentations from various recruitment firms, the Nominations Committee appointed a firm and actively managed its involvement. The Committee approved the evaluation methodology and developed a research plan in conjunction with the firm.
- The Nominations Committee kept to the methodology of a rigorous evaluation of potential candidates that assessed, among other things, their experience, past performance, potential, development needs and cultural fit. This evaluation was conducted by external experts recognised for the rigour of their methodology. The Committee considered that a proven and objective methodology combining interviews based on professional experience with interpersonal questionnaires, concrete case studies and 360-degree references underpinned the relevance of the evaluation and enable it to unlock a rounded, complete and solid image of the person and an objective overview when the Board came to take its decision.
- The Nominations Committee analysed the initial list of potential candidates in order to draw up a short list. The final selection decision was made collectively by all members of the Board of Directors after holding interviews in plenary session with the final candidates.
- The Board of Directors was kept informed of the work of the Nominations Committee at each meeting and each stage of the process was presented to the Board of Directors.

Powers of the Chairman of the Board of Directors

In accordance with French law, the Chairman of the Board organises and directs the work of the Board of Directors, on which he reports to the General Meeting. He ensures the proper functioning of the bodies with Getlink SE and, in particular, that the Directors are able to carry out their duties. In particular, he may request communication of any document or information that may help the Board of Directors in preparing its meetings.

In order to ensure a smooth and gradual transition, particularly in the context of the uncertainties related to Brexit, and to prepare for the entry into office of the Chief Executive Officer at the head of Getlink in the best possible conditions, the Board of Directors has decided to entrust the Chairman of the Board of Directors with enhanced responsibilities in order to allow in-depth consultation between the Chairman and the Chief Executive Officer on the major issues affecting the life of the Group and to give the Chairman the capacity to represent Getlink in its high-level relations.

In addition to the general powers provided for by law, the Chairman of the Board of Directors will be entrusted, on a temporary basis, with the following specific responsibilities by the Board of Directors' Internal Rules in close collaboration with the Chief Executive Officer: the Chairman of the Board of Directors will have, as of 1 July 2020, a special mandate for the purposes of:

- representing the Group in its high-level relations, such as with public authorities, financial institutions and/or key stakeholders, both nationally and internationally;
- representing the Board of Directors in its relations with shareholders and investors and assuming a role in driving strategy in close coordination with the Chief Executive Officer;
- provide support to executive management on issues affecting the balance and cohesion between the French and British components of the Group and its teams.

In all these specific responsibilities, the Chairman of the Board of Directors will act in close coordination with the Chief Executive Officer, who will be solely responsible for the management and operational leadership of Getlink. The Chairman's responsibilities are of a contributory nature and do not confer any executive power on him.

Powers of the Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in all circumstances in the name of the company. He carries out his powers within the scope of the corporate purpose and subject to the powers expressly conferred by law on shareholders and on the Board of Directors. He represents the company in its dealings with third parties.

Getlink SE is bound by decisions of the Chief Executive Officer that do not fall within its corporate purpose, unless it can be proven that the third party knew or should have known in the circumstances that the decision exceeded such purpose. However, the publication of the company's Articles of Association does not alone constitute such proof.

Limitations on the powers of the Chief Executive Officer

The provisions of the Articles of Association or decisions of the Board of Directors limiting the powers of the Chief Executive Officer may not be invoked against third parties.

Up to 1 July 2020

In accordance with article 1 of the Board of Directors' Internal Rules, the Board of Directors is responsible for major strategic transactions through acquisitions or disposals of equity interests or assets, partnership, alliance or cooperation agreements in the areas of research, development, industry and commerce and, in general, any transaction or commitment likely to significantly affect the Group's financial or operational position. Article 1 of the Board of Directors' Internal Rules also provides that:

- any significant transaction outside the organisation's announced strategy must be subject to prior approval by the Board of Directors;
- these rules apply not only to external acquisitions or disposals, but also to major investments for organic growth or significant internal restructuring operations.

From 1 July 2020

The Internal Rules of the Board of Directors have been revised to specify, as of the Chief Executive Officer's entry into office on 1 July 2020, the limitations on the powers of the Chief Executive Officer for certain decisions which, due to their purpose or amount, will be subject to prior approval by the Board of Directors. Without prejudice to the legal provisions relating to the authorisations that must be granted by the Board of Directors (regulated agreements, sureties, endorsements and guarantees, transfers of equity interests or real estate etc), the prior authorisation of the Board of Directors is required for transactions that are likely to affect Getlink's results, balance sheet structure or risk profile.

The Chief Executive Officer must obtain the prior approval of the Board of Directors for the following transactions:

Nature of the operation	Threshold
Acquisition and disposal of assets or shareholdings, investment or divestment, creation, acquisition or disposal of any subsidiary or shareholding, or internal restructuring	€20 million
Borrowing, to the extent compatible with the contracts and commitments outstanding at the time, refinancing or early repayment	€10 million
All transactions with an impact on shareholders' equity	€10 million
Litigation: transactions, compromise agreements	€10 million

When such transactions, decisions or commitments give rise to successive payments linked to the achievement of results or objectives, the above-mentioned limits shall be assessed by aggregating these various payments. The prior approval procedure is not applicable to intra-group transactions and decisions.

The new Group governance structure is adapted to the specific needs of the organisation and is part of a continual bid to support the overall development vision of the business.

The Board sets the term of office of the Chief Executive Officer, which may not exceed his term of office as Chairman.

The Chief Executive Officer is vested with the broadest powers to act in all circumstances in the name of Getlink SE. The Chief Executive Officer exercises his powers within the scope of the corporate purpose and subject to the powers expressly conferred by law on shareholders and on the Board, as well as the limitations imposed by the Internal Rules described in this section.

The Chief Executive Officer represents Getlink SE in its relations with third parties. Getlink SE is bound by decisions of the Chief Executive Officer that do not fall within its corporate purpose, unless it can be proven that the third party knew or should have known in the circumstances that the decision exceeded such purpose. However, the publication of the company's Articles of Association does not alone constitute such proof. Provisions of the Articles of Association and decisions of the Board limiting the powers of the Chief Executive Officer are not binding on third parties.

Deputy Chief Executive Officers

In 2019, the Chairman and Chief Executive Officer, Jacques Gounon, was assisted by a Deputy Chief Executive Officer, François Gauthey who was appointed on 1 May 2016. The Deputy Chief Executive Officer, François Gauthey, was appointed for the same length of term as the Chairman and Chief Executive Officer. The end of the current Chief Executive Officer's term of office will coincide with the scheduled end of the Chairman and Chief Executive Officer's term of office on 30 June 2020. At the end of his term of office as Deputy Chief Executive Officer, François Gauthey will once more have the benefit of his employment contract as Chief Financial Officer, which had been suspended at the beginning of his term of office[30].

The Deputy Chief Executive Officer assists the Chief Executive Officer. With regard to third parties, the Deputy Chief Executive Officer represents the company in the same manner as the Chief Executive Officer and pursuant to article L. 225-56, II sub-paragraph 2 of the French Commercial Code, he has the same powers as the Chief Executive Officer. The maximum number of Deputy Chief Executive Officers is three. If the Chief Executive Officer were to cease to exercise or be prevented from exercising his duties, the deputy chief executive officers, if any, continue to carry out their duties and fulfil their role, unless decided otherwise by the Board, until a new Chief Executive Officer is appointed.

30 *Section 2.3 of this Universal Registration Document: end of the role of Deputy Chief Executive Officer on 15 March 2020.*

In 2019, the supervision and support functions within Getlink SE's general management were as follows:

- Jacques Gounon, Chairman and Chief Executive Officer, is in charge of relations with the States and investors. He supervises strategy, communications, security and ethics, public affairs, internal audit and the company secretarial function.
- François Gauthey, Deputy Chief Executive Officer of Getlink SE, is CEO of Eurotunnel Holding SAS and Chairman and Chief Executive Officer of FM and of CTG. He supervises the operational functions of Eurotunnel and safety as well as, for the Group, the Finance and Legal Departments, the Group Human Resources Department and the CSR Department.
- Laurent Fourtune, Chief Operating Officer for Eurotunnel.
- Michel Boudoussier, Chief Corporate Officer, supervises the Strategy Department and major projects.
- Pascal Sainson, Chief Operating Officer, Chairman – Europorte.
- Philippe de Lagune, Chief Operating Officer – Security.
- Steven Moore, Chief Executive Officer – ElecLink, is in charge of the ElecLink project.

The Articles of Association provide that no person may be appointed as Chief Executive Officer or Deputy Chief Executive Officer if they are aged over 68 years old.

The Board can terminate the appointment of the Chief Executive Officer at any time. The Board can also terminate the appointment of the Deputy Chief Executive Officers, on the recommendation of the Chief Executive Officer.

4.1.2 SERVICE CONTRACTS BETWEEN MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT AND GETLINK SE

The Chairman and Chief Executive Officer has no contract of employment with any Getlink company. Getlink SE has not entered into any commitments for his benefit.

The Deputy Chief Executive Officer's employment contract was suspended on his appointment as an executive officer in the role of Deputy Chief Executive Officer. The employment contract has been suspended for the period of exercise of his appointment as Deputy Chief Executive Officer and will be reinstated, in its own right, on the expiry of such duties. The employment contract is reinstated at the end of the term of office and the termination of the corporate office does not involve termination of the employment relationship. Recommendation 21 of the Afep/Medef Code, which is to terminate a person's employment contract if they are appointed as a corporate officer, does not concern Deputy Chief Executive Officers.

4.1.3 EXECUTIVE COMMITTEE

General management is assisted by an executive committee, a reflection and consultation body, which on 26 February 2020 was comprised of the following:

Name	Position
Jacques Gounon	Chairman and Chief Executive Officer
François Gauthey	Deputy Chief Executive Officer
Michel Boudoussier	Chief Corporate Officer
Patrick Etienne	Director of Rolling Stock, Supply Chain and Energy Unit
Laurent Fourtune	Chief Operating Officer – Eurotunnel
Philippe de Lagune	Chief Operating Officer – Security
Steven Moore	Chief Executive Officer – ElecLink
Claire Piccolin	Company Secretary to the Board of Directors, Compliance Officer
Sandrine Prieur	CSR Director
Pascal Sainson	Chief Operating Officer, Chairman – Europorte

The executive committee ensures the coordination between Getlink SE and its subsidiaries and between the subsidiaries themselves. Under the authority of general management, the executive committee ensures the conduct of Group activities and the implementation of its main policies.

The table below sets out the list of companies, other than subsidiaries of Getlink SE, in which members of the executive committee of Getlink SE have held office as members of a management or supervisory board or in which they have been a partner during the last five years, and the companies in which they still hold a position of this nature:

Name	Position	Company	Dates
Jacques Gounon	Jacques Gounon's appointments are given in section 4.2.1 of this Universal Registration Document		
François Gauthey	Member of the supervisory committee	Kallista Energy	2010 to 2018
	Chairman and chief executive	Sanef its Technologies	2014 to 2015
	Chief executive	Sanef	2008 to 2014
	Vice president	Centaure Paris-Normandie	2008 to 2014
	Chairman and chief executive	SAPN	2007 to 2014
Michel Boudoussier	–	–	–
Patrick Etienne	–	–	–
Laurent Fourtune	–	–	–
Philippe de Lagune	–	–	–
Steven Moore	–	–	–
Claire Piccolin	–	–	–
Sandrine Prieur	–	–	–
Pascal Sainson	–	–	–

Biographical details for each member of the executive committee are presented below:

Jacques Gounon

Jacques Gounon's biographical details are presented in section 4.2.1 of this Universal Registration Document.

François Gauthey

François Gauthey, 57, joined Getlink SE in September 2015 as Chief Operating Officer. He was appointed Deputy Chief Executive Officer on 1 May 2016. He is Chairman and Chief Executive Officer of France Manche SA and of The Channel Tunnel Group Limited. On 5 June 2018, he was appointed Chief Executive Officer of Eurotunnel Holding SAS. He studied at the École Polytechnique and holds a DEA in organisational strategy and an engineering degree from the Ponts et Chaussées. In 1993, François Gauthey joined the private office of the Minister for the Economy, Edmond Alphandéry, as a technical advisor. In 1995, he became head of customer services at Aéroports de Paris, before becoming advisor in charge of equipment, housing and transport in the private office of Prime Minister, Jean-Pierre Raffarin in 2002. He subsequently took up the office of principal private secretary for François Goulard, Secretary of State for Transport and the Sea in 2004 and in the Ministry for Higher Education and Research in 2005. In 2006 he was appointed chief executive officer of Voies Navigables de France. In 2007 he joined the Sanef Group, shortly after its privatisation, and held the role of chief executive officer until 2014 and then he was appointed chairman and chief executive of Sanef its Technologies.

Michel Boudoussier

Michel Boudoussier, 56, studied at the École Normale Supérieure and subsequently became an Engineer of the Corps des Mines. He joined the Group on 3 May 2010 as Chief Operating Officer in charge of Tunnel operations. Following several appointments in the French Ministry for Industry, Michel Boudoussier, a railway industry specialist, joined the French Ministry for Town and Country Planning in 1995. He spent a large part of his career with SNCF, starting as manager for freight in the Lorraine region. In 2003, he became SNCF regional director for Normandy, before becoming, in 2006, SNCF regional director for the Nord-Pas-de-Calais region. From 2008-2010, Michel Boudoussier was human resources director for the infrastructure arm of SNCF. Michel Boudoussier a director of Union des Transports Publics (UTP).

Patrick Etienne

Patrick Etienne, 59, joined the Group in 1992 after 10 years with SNCF Armement Naval. As Head of the sales IT system, he led the development of Group's internet business from 2000. In 2004, he was appointed operational restructuring director, and became purchasing director in 2005. In 2009, he was appointed business services director heading the corporate purchasing, IT and property development activities of the Group. He was named Safety, Sustainable Development and Business Services Director on 1 January 2016, then as Director of Rolling Stock, Supply Chain and Energy Unit on 14 January 2019. He is chairman of EuroSco SAS, Euro-Immo GET and the Euro-TransManche companies.

Laurent Fourtune

Laurent Fourtune, 50, joined Getlink in March 2018 as the Operations Director for Eurotunnel. He studied at the École National Supérieure Ulm and Ohio State University. He is a civil engineer and developed an industrial specialism in modernising and operating transport infrastructures. In 1997, he joined the engineering department in Seine Saint-Denis, responsible for recovering road surfaces on the A1 and A86 motorways. In 2001 he joined the office of Jean-Claude Gayssot as a technical advisor, where he was responsible for the project to reopen the Mont Blanc tunnel to heavy goods vehicles. Subsequently, in 2002, he moved to Île-de-France Mobilités (previously STIF) as director of investment projects where, amongst others, he ran the project to restructure RER B and install 70 kilometres of tramway (1 million passengers per day and 350,000 car journeys). In 2008 he became service director at Vinci where he set up the bond financing of PPP and concession projects. In 2010, he joined the engineering service at RATP as Deputy Director. From 2012 to 2018 he was director of project coordination for RATP and a member of the committee of directors, where he managed the automation of metro lines 1 and 4, the commissioning of seven tramway lines and two metro stations, the modernisation of Les Halles station, the installation of automatic pilot for RER A and the launch of work sites to extend lines 14 at Saint Ouen and Orly, 12 at Aubervilliers Town Hall, 4 at Bagneux and 11 at Rosny.

Philippe de Lagune

Philippe de Lagune, 71, joined Getlink SE as Group Security Director on 9 September 2013. Philippe de Lagune, a Préfet, has exercised various senior roles in public service and was previously the French coordinator for security at the London Olympics in 2012. He is in charge of high-level relations with the French and British public authorities concerning security. He is Chief Operating Officer in charge of security at the Group.

Steven Moore

Steven Moore, 50, joined ElecLink in 2015. He has over 20 years of commercial experience in the electricity sector, the majority of which have been in the areas of energy trading, structuring and origination, operations and asset optimisation. Prior to joining ElecLink, he spent six years with EDF in various senior management positions, including three years in Paris where he was group director of commerce, optimisation and trading. Before joining EDF Energy, he was the power markets director at British Energy.

Claire Piccolin

Claire Piccolin, 58, holds a Masters II degree in Corporate and Tax Law and a Corporate Legal Advisor Diploma. She joined Getlink SE in 2002, after practising law in a UK law firm for some ten years. A specialist in corporate and stock exchange law, Claire Piccolin initially joined Eurotunnel's Legal Department, before moving to the Finance Department and finally, following the restructuring in 2007, becoming Company Secretary to the Getlink SE Board of Directors. Corporate Law Director for the Group and Head of Relations of the individual shareholders service, she was appointed Compliance Officer in 2017.

Sandrine Prieur

Sandrine Prieur, 53, a graduate of the École Supérieure de Commerce de Bordeaux, joined Getlink on 2 December 2019 as CSR Director. Sandrine Prieur has built a solid expertise in several areas at the heart of CSR: environmental and energy management, human resources, governance of organisations, business development (airports, and freight in particular). She was previously deputy director of environment and sustainable development for Groupe ADP, in charge of CSR performance and environmental and energy policy.

Pascal Sainson

Pascal Sainson, 62, is a civil aviation engineer. He started his career at the Direction Générale de l'Aviation Civile from 1983 to 1986. He was head of programming and development at Air Littoral from January 1987 until August 1988, then manager of air operations and manager of programming and planning at TAT European Airlines. He joined the Group in 1996 as Service Delivery Director. Appointed to the Group management committee in April 2001, he has held successively the positions of Business Services Director, Shuttle Services Director, Divisional Operations Director and Director of Operations. He is chairman of the French Europorte companies.

4.2 COMPOSITION AND FUNCTIONING OF THE BOARD OF DIRECTORS

4.2.1 BOARD OF DIRECTORS

At the date of this report, on 26 February 2020, the members of the Board of Getlink SE are as follows:

	Personal information				Experience	Position on the Board				Committees
	Age	Sex	Nationality	Shares	Appointments*	Independence	First nomination	End of term	Length of service	Number
Executive officers/directors										
Jacques Gounon	66	M	French	387,413	1	Non-independent	2007	2022	12	3
Non-independent directors										
Giancarlo Guenzi	64	M	Italian	-	1	Non-independent	2019	2022	0	0
Elisabetta De Bernardi di Valserra	43	F	Italian	3,000	1	Non-independent	2018	2022	1	0
Philippe Vasseur	76	M	French	5,000	0	Non-independent	2007	2022	12	3
Tim Yeo	74	M	British	7,005	0	Non-independent	2007	2022	12	3
Staff representative directors **										
Stéphane Sauvage	53	M	French	400	0	Non-independent	2018	2022	1	2
Philippe Vanderbec	52	M	French	500	0	Non-independent	2018	2022	1	2
Independent directors										
Corinne Bach	46	F	French	5,000	0	Independent	2016	2022	3	2
Bertrand Badré	51	M	French	3,000	0	Independent	2017	2022	2	1
Patricia Hewitt	71	F	British	5,000	0	Independent	2010	2022	9	3
Peter Levene	78	M	British	10,074	1	Independent	2012	2020	7	2
Colette Lewiner	74	F	French	5,000	4	Independent	2011	2020	8	2
Colette Neuville	83	F	French	5,182	1	Independent ***	2007	2020	12	4
Perrette Rey	77	F	French	5,000	0	Independent	2013	2020	6	4
Jean-Pierre Trotignon	69	M	French	6,110	0	Independent	2010	2020	9	4

* *Number of appointments in quoted companies.*
** *The two directors representing the employees are not taken into account for the calculation of the independence percentage, in accordance with article L. 225-27 of the French Commercial Code.*
*** *As set out in section 4.4 of this Universal Registration Document.*

Changes in the Board of Directors in 2019

On 22 November 2019, the Board of Directors co-opted Giancarlo Guenzi as a Director to replace Giovanni Castellucci, who resigned, for the remainder of Giovanni Castellucci's term of office. Ratification of this co-option will be proposed at the Ordinary General Meeting of Getlink SE to be held on 30 April 2020.

Board renewal plan

The Board of Directors reviewed the renewal of its members, taking into account the expertise of the directors and the need to keep the same rate of independence and international representation as well as the female representation on the Board. The Board of Directors, on the recommendation of the Nominations Committee, paid particular attention to the skills, experience and knowledge of the Group's businesses that each director must possess in order to participate effectively in the work of the Board and its Committees.

In 2019, the Board of Directors, on the recommendation of the Nominations Committee and as part of the work on the succession plan and renewal of the Board of Directors, decided to harmonise the rotation of members since it wished to keep the size of the Board of Directors at a maximum of 15 members. In doing so, it had regard to the structure of the Board of Directors in terms of number, independence, gender parity, age, international representation and skills. It also drew on the consequences of the application of the 12-year term of office criterion for the assessment of independence as well as the continuing work to lower the average age of the Board members. As a result, the Board of Directors has drawn up a plan to stagger the terms of office of directors.

Staggering of terms of office: changes in the composition of the Board of Directors in 2020

The Board of Directors examined its composition, organisation and operation in the light of the governance rules set by the Articles of Association, the Internal Rules and the recommendations of the Afep/Medef Code. In order to allow for a harmonious renewal of the terms of office of the members of the Board of Directors and on the recommendation of the Nominations Committee, the Board has ensured that the terms of office are staggered. With this in mind, of the five directors whose appointments are up for renewal at the General Meeting on 30 April 2020:

- One director is exceptionally to be renewed for a single year: Peter Levene's term will be extended until 2021, until the end of the General Meeting called to approve the financial statements for the 2020 financial year;
- Two directors are exceptionally to be renewed for two years: Jean-Pierre Trotignon's and Perrette Rey's terms will be extended until 2022, until the end of the General Meeting called to approve the financial statements for the 2021 financial year;
- One director is exceptionally to be renewed for three years: Colette Lewiner's term will be extended until 2023, until the end of the General Meeting called to approve the financial statements for the 2022 financial year;
- The term of office of Colette Neuville will not be proposed for renewal.

Once this staggering has been carried out, future renewals will be for the constitutional director's term of office of four years.

In order to preserve the collective efficiency of the Board, as well as the desired level of independence within the Board of Directors and to allow the entry into the Board of Directors of members with less than 12 years of office who can be qualified as independent in light of the criteria set forth in the Afep/Medef Code, Philippe Vasseur has agreed to end his term of office after the 2020 General Meeting i.e. before the end of his term in 2022.

The Afep/Medef Code indicates that after 12 years of service as a director can no longer be considered as independent. Although this rule does not *ipso facto* lead to the resignation of the directors concerned, the directors have initiated a collective reflection on this subject within the Corporate Committee and the Nominations Committee and the Board of Directors has decided on the recommendation of those Committees to introduce a good conduct guideline in the Board of Directors' Internal Rules that:

- independent directors with more than 12 years of service will resign from office no later than 12 months following that date; and/or who
- directors have reached the age of 80 will resign from office no later than 12 months after their 80^{th} birthday.

The Board of Directors has accordingly decided to propose to the 2020 General Meeting that the following resolutions be adopted:

- to appoint two new directors, Jean-Marc Janaillac to replace Colette Neuville and Sharon Flood to replace Philippe Vasseur, and
- to allow the possibility of a director representing UK staff joining the Board of Directors and to this end a resolution amending Getlink SE's Articles of Association to be put to the vote of Getlink SE's shareholders at the 2020 general meeting.

The Directors' CVs are set out in this section 4.2.1 of this Universal Registration Document.

Director selection process

- Getlink SE's selection process is designed to appoint a diverse set of highly competent directors and officers with in-depth knowledge and experience of the main sectors of activity. The factors taken into account, as described in the appendix to the Board of Directors' Internal Rules, are set out in section 4.2.5 of this Universal Registration Document.
- Getlink SE has followed a thorough appointment process by collective decision of the Board of Directors. The Nominations Committee drew up a detailed roadmap, with the assistance of a governance consulting firm, of the implementation of the Board succession plan and the research to be conducted.
- After hearing presentations from various recruitment firms, the Nominations Committee appointed a firm. The selected firm was mandated to search for candidates meeting the set criteria.
- The Nominations Committee actively managed the involvement of the recruitment firm. In conjunction with the firm, the Committee considered the initial list of potential candidates then a short list before proceeding to hold interviews. The final decision was made collectively by all members of the Board of Directors.
- The Board of Directors was kept informed of the work of the Nominations Committee at each meeting and each stage of the process was presented to the Board of Directors.

The Board of Directors wished to see a gradual evolution, namely a rational and objective approach in line with Getlink's general interests.

The table below sets out the anticipated changes to the composition of the Board of Directors and its Committees for the 2020 financial year:

	Departure	Appointment	Renewal
Board of Directors	Colette Neuville	Sharon Flood	Peter Levene (1 year)
	Philippe Vasseur	Jean-Marc Janaillac	Perrette Rey (2 years)
			Jean-Pierre Trotignon (2 years)
			Colette Lewiner (3 years)

- 2020: end of the appointments of Colette Neuville and Philippe Vasseur,
- 2022: end of the appointment of Jean-Pierre Trotignon, and
- 2023: end of the appointment of Colette Lewiner.

As a good conduct guideline, the Directors have agreed in the Internal Rules of the Board of Directors that their term of office ends when they reach the age of 80:

- 2021: end of the appointment of Peter Levene, and
- 2022: end of the appointment of Perrette Rey.

At the end of the General Meeting of 30 April 2020, subject to a vote in favour at the Meeting, the members of the Getlink SE Board of Directors will be as follows:

	Age	Sex	Nationality	Independence	First nomination	End of term	Length of service
Jacques Gounon	67	M	French	Non-independent	2007	2022	13
Giancarlo Guenzi	64	M	Italian	Non-independent	2019	2022	0
Elisabetta De Bernardi di Valserra	43	F	Italian	Non-independent	2018	2022	2
Stéphane Sauvage	53	M	French	Non-independent	2018	2022	1
Philippe Vanderbec	52	M	French	Non-independent	2018	2022	1
Tim Yeo	75	M	British	Non-independent	2007	2022	12
Corinne Bach	46	F	French	Independent	2016	2022	3
Bertrand Badré	51	M	French	Independent	2017	2022	2
Sharon Flood	54	F	British	Independent	2020	2024	0
Patricia Hewitt	71	F	British	Independent	2010	2022	9
Jean-Marc Janaillac	67	M	French	Independent	2020	2024	0
Peter Levene	78	M	British	Independent	2012	2020	8
Colette Lewiner	74	F	French	Independent	2011	2020	8
Perrette Rey	77	F	French	Independent	2013	2020	7
Jean-Pierre Trotignon	69	M	French	Independent	2010	2020	9

Characteristics of the Board of Directors subject to the approval by the General Meeting of 30 April 2020 of the proposed renewals of the terms of office and appointments

Composition following the General Meeting of 30 April 2020	
Independence	69%
Female representation	46%
Average age of Directors	63
Average length of term	5
International representation	54%

The staff representative directors are not counted:

- in the calculation of the Board of Directors' rate of independence, in accordance with the recommendations of the Afep/Medef Code;
- in the calculation of the percentage of women on the Board of Directors, in accordance with legal provisions; and
- consequently in the calculation of the average age, average term of office and the international representation of the Board of Directors in order to ensure the consistency of the information presented.

Thus, after the General Meeting of 30 April 2020, subject to a vote in favour at the Meeting:

- the Board's rate of independence will remain better than that recommended by the Afep/Medef Code;
- the rate of female representation will remain better than the legally required minimum of 40%.

Presentation of the members of the Board of Directors in office in the 2019 financial year

JACQUES GOUNON, CHAIRMAN AND CHIEF EXECUTIVE OF GETLINK SE

66 years old – French

Executive officer and non-independent director of Getlink SE

First appointment: 9 March 2007; length of service: 12 years

End of current term: 2022

387,413 Getlink SE ordinary shares held at 26 February 2020

Member of three committees: Corporate Committee, Safety and Security Committee, and Economic Regulations Monitoring Committee

Biography, expertise and experience

Jacques Gounon is a graduate of the École Polytechnique and a chief engineer of the Ponts et Chaussées. He started his career in public service in 1977 and later became chief executive of the Comatec Group (1986-1990), director of development for the Eiffage group (1991-1993), industry advisor to the French Employment Minister (1993-1995), principal private secretary to the French Secretary of State for Transport (1995-1996), deputy chief executive of Alstom (1996), chairman of the business sector and member of the executive committee of Alstom (2000) and deputy chairman and chief executive of the Cegelec group (2001). He was appointed Chairman and Chief Executive Officer of Getlink SE in 2007. He is also a director of Aéroports de Paris, chairman of the Transalpine Committee and in 2019, he became chairman of La Maison du Numérique et de l'Innovation du Calaisis. In 2020, Jacques Gounon succeeded Patrick Jeantet at the head of Fer de France, the French rail association.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 1)

Office	Company / Listing place
Director, chairman of the audit and risk committee	Aéroports de Paris / Euronext Paris

Other French or foreign positions held outside the Group: none

ELISABETTA DE BERNARDI DI VALSERRA

Age: 43 – Italian

Non-independent director of Getlink SE

First appointment: 18 April 2018; length of service: 1 year

End of current term: 2022

3,000 Getlink SE ordinary shares held on 26 February 2020

Not a member of any committee

Biography, expertise and experience

Elisabetta De Bernardi di Valserra graduated *magna cum laude* in electronic engineering from the Università degli Studi di Pavia. Since 2015, she has been an investment director at Edizione Srl and is a board member of Autostrade per l'Italia, Aeroporti di Roma, Cellnex Telecom, and of ConnecT S.p.A. She started her career with Morgan Stanley in 2000, in the investment banking division, where she worked in the communication and media team in London, and then in the corporate finance team in Milan, where she remained until 2013 as executive director. At Morgan Stanley, Elisabetta advised on several transactions, including M&A, equity and debt transactions. Between 2013 and 2015, she was partner of Space Holding, launching and placing on the Italian Stock Exchange the Special Purpose Acquisition Vehicles Space S.p.A. and Space 2 S.p.A., which completed their business combination by merging with Fila Avio and Aquafil. She was appointed to the Getlink SE Board of Directors by the General Meeting of 18 April 2018.

Elisabetta De Bernardi di Valserra brings to the Board of Directors her experience as a director of industrial groups with an international dimension, as well as her financial expertise in the management of equity investments.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 1)

Office	Company / Listing place	Date
Director	Cellnex Telecom S.A. / Madrid	2018 to date

Other French or foreign positions held outside the Group

Other positions	Company	Date
Director	Autostrade per l'Italia S.p.A.	2019 to date
Director	Aeroporti di Roma S.p.A.	2019 to date
Managing director	ConnecT S.p.A.	2018 to date
Director	Atlantia S.p.A.	2016 to 2019
Director	Sintonia S.p.A.	2018 to 2019

GIANCARLO GUENZI

64 years old – Italian
Non-independent director of Getlink SE
First appointment: 22 November 2019; length of service: 0 years
End of current term: 2022
No Getlink SE ordinary shares held at 26 February 2020
Not a member of any committee

Biography, expertise and experience

Giancarlo Guenzi is general manager (Direttore Generale) of Atlantia S.p.A. (an Italian quoted company), Chairman of Telepass S.p.A. and director of Abertis HoldCo S.A. and of Azzura Aeroporti S.p.A. A graduate of the University of Rome in business management, he became a chartered accountant and then an auditor. After starting his career with KPMG and then with the Italstat Group, he joined the Atlantia Group in 1994 as group planning manager. From 2003 to 2007, he was CEO and general manager of Pavimental (an Atlantia S.p.A. subsidiary). From 2007 to 2019, he was chief finance officer of Autostrade per l'Italia and head of financial information for Atlantia.

Giancarlo Guenzi brings to the Board of Directors his experience as a manager of infrastructure with an international dimension as well as his expertise in strategy.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 1)

Office	Company / Listing place	Date
General manager	Atlantia S.p.A. / Borsa italiana	2019 to date

Other French or foreign positions held outside the Group

Other positions	Company	Date
Chairman	Telepass S.p.A.	2016 to date
Director	Abertis HoldCo S.A.	2018 to date
Director	Azzura Aeroporti S.p.A.	2018 to date

STEPHANE SAUVAGE

53 years old – French
Staff Representative Director of Getlink SE
First appointment: 22 May 2018; length of service: 1 year
End of current term: 2022
400 Getlink SE ordinary shares held at 26 February 2020
Member of two committees: Remuneration Committee and Safety and Security Committee

Biography, expertise and experience

Stéphane Sauvage joined the Group in 1998, after participating in the construction of the Tunnel for eight years (Transmanche Construction GIE), in a range of positions including formworker/carpenter team leader during the construction of the cross-over and quality controller for the final equipment installed in the Tunnel. Stéphane Sauvage joined Eurotunnel in a customer service role before being appointed platform coordinator. Until 29 May 2018, he held the positions of Secretary of Eurotunnel's Social and Economic Committee, Force Ouvrière union delegate, member of the Social and Economic Committee, representative on the European Company Council and union representative on the Group Committee. He received the "Meilleur ouvrier" award for his department in 1984. He is a first responder firefighter in underground environments and holds the workplace first-aid diploma and the resuscitation diploma. During a plenary meeting on 22 May 2018, the French Group Committee unanimously appointed Stéphane Sauvage as a staff representative director on the Board of Getlink SE.

Stéphane Sauvage brings to the Board of Directors his vision as an employee and his in-depth knowledge of the Group and its activities.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group: none

PHILIPPE VANDERBEC

52 years old – French
Staff Representative Director of Getlink SE
First appointment: 6 June 2018; length of service: 1 year
End of current term: 2022
500 Getlink SE ordinary shares held at 26 February 2020
Member of two committees: Remuneration Committee and Safety and Security Committee

Biography, expertise and experience

Philippe Vanderbec joined Eurotunnel in 1993, as a Shuttle driver. In 2000, he was appointed General Secretary of the Eurotunnel CGT union. In 2008, he was elected General President of the Calais Employment Tribunal and, in 2014, he became a trainer for CGT Employment Tribunal advisors in the Pas-de-Calais area and Secretary of the Getlink SE European Company Council. On 6 June 2018, the Getlink SE European Company Council unanimously appointed Philippe Vanderbec as a staff representative director on the Board of Getlink SE.

Philippe Vanderbec brings to the Board of Directors his vision as an employee and his in-depth knowledge of the Group and its activities.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group: none

CORINNE BACH

46 years old – French

Independent director of Getlink SE

First appointment: 20 December 2016; length of service: 3 years

End of current term: 2022

5,000 Getlink SE ordinary shares held at 26 February 2020

Member of two committees: Audit Committee and Economic Regulations Monitoring Committee

Biography, expertise and experience

Corinne Bach is a graduate of the École Polytechnique and also holds qualifications from Imperial College London, INSEAD and Télécom Paris. She was chairwoman and chief executive officer of CanalOlympia and vice chairwoman of Vivendi Village within the Vivendi group from 2015 to 2018. She also gained experience working at SFR and NavLink, in both France and the USA. In 2018, she was appointed director of development and operations at Studiocanal. Corinne Bach's appointment as a Director of the Board of Getlink SE was ratified by the General Meeting held on 27 April 2017. The General Meeting of 18 April 2018 renewed Corinne Bach's term of office as a director until the end of the General Meeting held to approve the 2021 accounts.

Corinne Bach brings to the Board of Directors her experience as the head of various innovative technology services groups as well as her expertise in strategy especially in the digital age.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group

Other positions	Company	Date
Director	Smile & Pay	2019 to 2020
Representative of Vivendi Village on the board of directors	La Frontera Production (Association)	2018 to 2019
Director	The Copyrights Group Limited	2017 to date
Director	Marketreach Licensing Services Limited	2017 to date
Director and member of the strategy committee	Festival Production SAS	2016 to 2019
Chairwoman	Talents et Spectacles Congo SAS	2016 to 2019
Director	Magic Makers SAS	2016 to date
Director	L'Olympia SAS	2015 to date
Chairwoman	Talents et Spectacles Gabon SAS	2016 to 2019
Chairwoman	Talents et Spectacles Cameroun SAS	2016 to 2019
Chairwoman	Talents et Spectacles Burkina Faso SAS	2016 to 2019
Chairwoman	Talents et Spectacles RDC SAS	2016 to 2019
Chairwoman	Talents et Spectacles Côte d'Ivoire SAS	2018 to 2018
Managing director	Talents et Spectacles Madagascar SAS	2018 to 2018
Chairwoman	Talents et Spectacles Mali SAS	2018 to 2018
Chairwoman	Talents and Live Gambia Ltd	2018 to 2018
Chairwoman	Talents et Spectacles Guinée SAS	2016 to 2018
Chairwoman	Talents et Spectacles Togo SAS	2016 to 2018
Chairwoman	Talents et Spectacles Sénégal SAS	2016 to 2018
Chairwoman	Talents et Spectacles Bénin SAS	2016 to 2018
Chairwoman	Talents et Spectacles Niger SAS	2016 to 2018
Chairwoman and chief executive officer	CanalOlympia SA	2015 to 2018
Chairwoman	Vivendi Analytics SAS	2015 to 2018
Director	MyBestPro SAS	2015 to 2018
Vice-Chairwoman	Vivendi Village SAS	2015 to 2018
Chairwoman	Société d'Investissement et de gestion 106 SAS	2014 to 2018
Director	Watchever Group SA	2015 to 2017

BERTRAND BADRE

51 years old – French

Independent director of Getlink SE

First appointment: 18 December 2017; length of service: 2 years

End of current term: 2022

3,000 Getlink SE ordinary shares held at 26 February 2020

Member of one committee: Audit Committee

Biography, expertise and experience

Bertrand Badré is a graduate of the École Nationale d'Administration, the Institut d'études politiques de Paris and of the Hautes Études Commerciales de Paris. Assigned to the l'Inspection générale des finances (French national audit office) in 1995, in 1999 he became deputy director of Lazard Bank in London then vice-president, and director in New York (2000). In 2003, he joined President Jacques Chirac's office. He became a partner of Lazard Bank in London then in 2007 he became finance director of Crédit Agricole then Société Générale. In 2013, Bertrand Badré was appointed finance director general at the World Bank and as such represented the organisation at the G7, G20 and the Financial Stability Board. He made a significant contribution to World Bank discussions on finance and development. He is known for his commitment to implementing sustainable development objectives through a greater involvement of the private sector. Bertrand Badré left the World Bank group in 2016 and created an investment fund called Blue like an Orange Sustainable Capital, which aims to direct investment towards innovative economic projects in developing countries. Bertrand Badré is senior advisor for sustainability and ESG for JAB Holdings and their JCF fund. He was co-opted on to the Board of Getlink SE on 18 December 2017. The appointment was ratified at the Getlink SE General Meeting held on 18 April 2018 until the end of the General Meeting held to approve the 2021 accounts.

Bertrand Badré brings to the Board of Directors his recognised experience and expertise in international finance and his knowledge of markets, as well as his vision on the implementation of sustainable development objectives.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group

Other positions	Company	Date
Director	Liquidnet	2018 to date
Director, chairman of the audit committee	Wealthsimple	2017 to date
Chairman and chief executive officer	Blue like an Orange Sustainable Capital	2016 to date
Chairman	BlueOrange consultants	2016 to date

PATRICIA HEWITT

Age: 71 – British

Independent director of Getlink SE

First appointment: 26 May 2010; length of service: 9 years

End of current term: 2022

5,000 Getlink SE ordinary shares held on 26 February 2020

Member of three committees: Economic Regulations Monitoring Committee (Chairwoman), Corporate Committee and Safety and Security Committee

Biography, expertise and experience

Patricia Hewitt is a graduate of Cambridge University and was a Labour member of Parliament for 13 years. Patricia Hewitt first worked for Age Concern (the largest UK charity working with the elderly). She was Economic Secretary at the Treasury (1998-1999), then Minister for e-Commerce and Small Business at the DTI (1999 and 2001) and subsequently Secretary of State for Trade and Industry and Cabinet Minister for Women (2001-2005) before becoming Secretary of State for Health (2005-2007). She became a member of the Board of Getlink SE in May 2010.

Patricia Hewitt brings to the Board of Directors her international culture, her in-depth knowledge of the UK market, her expertise in safety and security and her experience and expertise in CSR (women and health).

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group

Other positions	Company	Date
Chair	UK India Business Council India (Pvt) Ltd	2013 to 2017
Chair	UK India Business Council (UKIBC)	2009 to 2017

PETER LEVENE

Age: 78 – British

Independent director of Getlink SE

First appointment: 29 February 2012; length of service: 7 years

End of current term: 2020

10,074 Getlink SE ordinary shares held on 26 February 2020

Member of two committees: Nominations Committee and Corporate Committee

Biography, expertise and experience

Peter Levene, a Foundation Shareholder of Eurotunnel, joined the defence sector company United Scientific Holdings in 1963, and rose to the post of group chairman in 1981. Subsequently, he was asked by the Secretary of State for Defence to act as his personal advisor in the MoD, and then as a permanent secretary in the role of Chief of Defence Procurement, a position which he held for six years. He thereafter held the post of advisor to the Secretary of State for the Environment, to the president of the Board of Trade and to the Chancellor of the Exchequer. He was appointed as advisor to the Prime Minister on efficiency and effectiveness from 1992 to 1997. During this period, he also served as chairman of the Docklands Light Railway and then chairman and chief executive officer of Canary Wharf Limited. He served as a member of the board of J. Sainsbury plc from 2001-2004, of Total SA from 2005-2011 and was chairman of General Dynamics UK Limited from 2001 to 2019. He is chairman of Starr Underwriting Agents Limited and Tikehau Investments Limited, vice-president of Starr International Company, Inc. and a member of the board of Haymarket Group Limited and that of Tikehau Capital UK Limited. He is a member of House of Lords artificial intelligence committee and was a member of the House of Lords economic affairs committee from 2008-2013. He served as sheriff of London from 1995-1996 and as lord mayor of London for the year 1998-1999. He received a knighthood in 1989 and became a life peer in July 1997 as Lord Levene of Portsoken. Previously, he served as chairman of Lloyd's of London, the world's leading specialist insurance and reinsurance market from 2002-2011, after having been vice-chairman of Deutsche Bank. Prior to this, he held the position of chairman of Bankers Trust International, Morgan Stanley and Wasserstein Perella. Peter Levene's appointment as a director of the Board of Getlink SE was ratified by the General Meeting held on 26 April 2012.

Peter Levene brings to the Board of Directors his experience as a director of international groups, his functional knowledge of Eurotunnel services, his international culture and his vision of the British market.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 1)

Office	Company / Listing place	Date
Director	China Construction Bank (Asia) Corporation Limited / Shanghai	2013 to date

Other French or foreign positions held outside the Group

Other positions	Company	Date
Director	Harley House (Marylebone) Management Limited	2019 to date
Director	Harley House Freehold Limited	2019 to date
Director	Starr International (Europe) Limited	2016 to date
Director	Tikehau Capital Europe Limited	2014 to date
Chairman of the board	Tikehau Investments Limited	2013 to date
Director	Tikehau Capital UK Limited	2016 to date
Chairman of the board	Starr Underwriting Agents Limited	2012 to date
Vice-chairman of the board	Starr International Company, Inc.	2011 to date
Director	Haymarket Group Limited	1997 to date
Director	General Dynamics United Kingdom Limited	2001 to 2019

COLETTE LEWINER

74 years old – French

Independent director of Getlink SE

First appointment: 20 May 2011; length of service: 8 years

End of current term: 2020

5,000 Getlink SE ordinary shares held at 26 February 2020

Member of two committees: Audit Committee (Chairwoman) and Corporate Committee

Biography, expertise and experience

Colette Lewiner is a graduate of the École Normale Supérieure and holds a degree and doctorate in physics. She is a director of Nexans, Groupe Bouygues, EDF and CGG (S.A.). She was also a director of Ingenico Group from 2015 to 2018. Colette Lewiner began her career as a university lecturer, conducting research into electrical and magnetic phenomena in new semi-conductors. In 1979, she joined EDF in the research and development directorate and then established the development and commercial strategy division. In 1992, she became chair and chief executive of SGN Réseau Eurisys, a subsidiary of Cogema, and then joined Capgemini to set up the Utilities sector, which she then managed. In 2000, following the merger of Capgemini and Ernst & Young, Colette Lewiner was appointed managing director of GSU (Global Sector Unit) "Energy, Utilities and Chemicals". In 2004 she took on responsibility for the group's global marketing unit (which she headed until 2008) alongside responsibility for the global energy, utilities and chemicals sector. In July 2012, Colette Lewiner left this post to become energy adviser to the chairman of Capgemini. Colette Lewiner is the author of a textbook on nuclear power stations and of numerous scientific papers. She is a Commander of the Légion d'Honneur and a Grand Officer of the Ordre National du Mérite. Colette Lewiner's appointment as a Director of the Board of Getlink SE was ratified by the General Meeting held on 26 April 2012.

Colette Lewiner brings to the Board of Directors her vision of technology and digital transformation as well as her experience as a director of groups with an international dimension.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 4)

Office	Company / Listing place	Date
Independent director, chairwoman of the remuneration and nomination committee	CGG (S.A.) / Euronext Paris	2018 to date
Independent director of Bouygues, chairman of the selection and remuneration committee of Bouygues and its subsidiary Colas, member of the accounts committee, the selection and remuneration committee and the ethics and corporate philanthropy committee	Bouygues / Colas (subsidiary of Bouygues) / Euronext Paris	2010 to date 2011 to date
Director, member of the audit committee, and the nominations and remuneration committee and chair of the governance and responsible business committee	EDF / Euronext Paris	2014 to date
Independent director, member of the strategy and sustainable development committee	Nexans / Euronext Paris	2004 to date

Other French or foreign positions held outside the Group

Other positions	Company	Date
Independent director, member of the audit and financing committee and the strategy committee	Ingenico Group (S.A.)	2015 to 2018
Independent director, chairwoman of the nominations and remuneration committee	Crompton Greaves	2013 to 2016
Chairwoman of the board of directors	TDF (SAS)	2010 to 2015
Independent director, member of the audit committee	TGS Nopec Geophysical Company (ASA) - Norway	2006 to 2015

COLETTE NEUVILLE

83 years old – French

Independent director of Getlink SE / Senior Independent Director

First appointment: 9 March 2007; length of service: 12 years

End of current term: 2020

5,182 Getlink SE ordinary shares held at 26 February 2020

Member of four committees: Remuneration Committee (Chairwoman), Audit Committee, Nominations Committee and Corporate Committee

Biography, expertise and experience

Colette Neuville is a law graduate and a graduate of the Paris Institute of Political Studies and holds a post graduate degree in economics and political science. She has worked as an economist for NATO, for the National Office for Irrigation (ONI) in Morocco and for the Loire Brittany basin agency. Colette Neuville is founding chairwoman of ADAM (the French association for the defence of minority shareholders). She is a member of the board of directors of Atos and of two savers' associations (Faider and ARCAF). She is also a member of the commission on retail investors and minority shareholders of the AMF. Since 2009, she has been a member of the governing board of the MBA school of the Panthéon Sorbonne University and since 2011, the club of the chairmen/women of remuneration committees at IFA (the French institute of directors). She became a director of TNU on 15 December 2005. She has been a Director of Getlink SE since 9 March 2007 and chairs the Remuneration Committee. She was appointed as Senior Independent Director of Getlink SE by the Board on 14 February 2014.

Colette Neuville brings to the Board of Directors her experience and knowledge of the financial markets, as well as her expertise and shareholder financial vision.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 1)

Office	Company / Listing place	Date
Director	ATOS / Euronext Paris	2012 to date

Other French or foreign positions held outside the Group

Other positions	Company	Date
Director	ARCAF (Defence Association for Public Servant Retirement Savers)	2011 to date
Member of the governance committee	École de Droit Management de Paris II - Assas	2009 to date
Director	Faider (Federation of Independent Associations for Retirement Savers)	2008 to date
Founding chairwoman	Association de Défense des Actionnaires Minoritaires (ADAM)	1991 to date
Director	Numéricable SFR	2014 to 2016

PERRETTE REY

77 years old – French

Independent director of Getlink SE

First appointment: 20 March 2013; length of service: 6 years

End of current term: 2020

5,000 Getlink SE ordinary shares held at 26 February 2020

Member of four committees: Nominations Committee (Chairwoman), Audit Committee, Remuneration Committee and Corporate Committee

Biography, expertise and experience

Perrette Rey holds a doctorate in corporate law and a post graduate degree in economic management both from the University of Paris I; she is a graduate of the Paris political studies institute (IEP), the Paris institute of business management (IAE) and the Paris centre for better management (CPA). She started her career as commercial director for SOVA, a mechanics, metal and steel family business prior to setting up her own business as a management, organisation and IT consultant then heading a management and IT publication. In 1977 she joined the *Chambre Syndicale* of the Banques Populaires group where she was successively in charge of strategy, budget, finance and IT and later an advisor to the chairman of the Banques Populaires group. She was elected as a judge at the Paris Commercial Court in 1992, becoming in turn president of a chamber, vice president and the first woman (and to date the only woman for 450 years) to be elected president of the Paris Commercial Court, then president of the General Council of Commercial Courts, which brings together all the French commercial courts, between 2004 and 2008. She chaired the French observatory for businesses in difficulty set up by the chamber of commerce and industry of Paris Île-de-France. From 2008 to 2013, she was a member of the French state shareholding commission. Perrette Rey was appointed by the Board of Getlink SE and her appointment was ratified by the General Meeting on 15 May 2013.

Perrette Rey brings to the Board of Directors her diverse expertise and recognised experience in law and business management, as well as her experience as a former senior executive.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group: none

JEAN-PIERRE TROTIGNON

69 years old – French

Independent director of Getlink SE

First appointment: 26 May 2010; length of service: 9 years

End of current term: 2020

6,110 Getlink SE ordinary shares held at 26 February 2020

Member of four committees: Safety and Security Committee (Chairman), Nominations Committee, Economic Regulations Monitoring Committee and Corporate Committee

Biography, expertise and experience

Jean-Pierre Trotignon is a director and chairman of the board of the Swiss company BG Bonnard et Gardel Holding SA. A graduate of the École Polytechnique and of the Ponts et Chaussées engineering school he holds a master's degree in Science from the University of Berkeley. He was deputy chief executive officer of Autoroutes du Sud de la France (1987-1992) and chief executive officer of Compagnie Signature SA from 1992 to 1998. He joined the Caisse des Dépôts Développement (C3D) group in 1998, where he was in turn chief executive officer of Egis Projects S.A. (1998-2000), chairman and chief executive officer of ISIS SA (1998-2001), amministratore delegato of Egis Italia S.p. (2000-2001) and deputy director for continental Europe of Transdev SA (October 2001 to January 2003). Between 1999 and 2003, alongside his appointments with C3D and Ubifrance, he was chairman of the independent port of Dunkirk. After two years as chief executive officer of Ubifrance, he joined Eurotunnel in August 2005 as Chief Operating Officer in charge of all commercial, operational and technical aspects of the business, in France and the UK before being appointed as Deputy Chief Executive from 2008 to 2009. He became a member of the Board of Getlink SE in 2010.

Jean-Pierre Trotignon brings to the Board of Directors his knowledge of the Group's activities, his skills and experience as a former director of an international group, including as Eurotunnel's operational director and a head of function, and his expertise in safety and security.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group

Other positions	Company	Date
Chairman of the board of directors	BG Bonnard and Gardel Holding SA (Switzerland)	2015 to date*
Director	BG Bonnard and Gardel Holding SA (Switzerland)	2011 to date
Member of the supervisory board	Plastic Omnium Environnement SAS (with responsibility for Compagnie Signature SAS)	2000 to 2015

* *Office as director and chairman of the board of directors of BG Bonnard and Gardel Holding SA (Switzerland) is due to end in March 2020.*

PHILIPPE VASSEUR

76 years old – French

Non-independent director of Getlink SE

First appointment: 20 June 2007; length of service: 12 years

End of current term: 2022

5,000 Getlink SE ordinary shares held at 26 February 2020

Member of three committees: Remuneration Committee, Nominations Committee and Corporate Committee

Biography, expertise and experience

Philippe Vasseur, former Minister for Agriculture, Fisheries and Food from 1995 to 1997, was the member of the French Parliament for the Pas-de-Calais area several times between 1986 and 2000. He has been a member of the Finance Commission for the French Parliament throughout his parliamentary career, regional councillor for the Nord-Pas-de-Calais region between 1992 and 1998 and mayor of Saint-Pol-sur-Ternoise (Pas-de-Calais). A former economics journalist, he resigned from all his political appointments in 2000 in order to return to the private sector where he served until 2015 as chairman of Crédit Mutuel Nord Europe as well as holding various other positions in companies controlled by Crédit Mutuel Nord Europe (BCMNE, Caisse de Lille Liberté, La Française AM, Nord Europe Assurances). Philippe Vasseur is a director of Bonduelle. Until December 2018, he was the chairman of Réseau Alliances, which brings together more than 250 businesses involved in social and environmental responsibility in the Hauts-de-France region. From 2011 to 2016, he was chairman of the Nord-de-France Chamber of Commerce and Industry. Between June 2016 and December 2017, he was Commissaire spécial à la revitalisation et à la réindustrialisation des Hauts-de-France. Since December 2017, he has been the Chair of Mission REV3, an organisation to promote the third industrial revolution in the Hauts-de-France region. He has been a Director of Getlink SE since 20 June 2007.

Philippe Vasseur brings to the Board of Directors his vision of the responsible economy, his experience as a manager and his sound knowledge of the local context and territories (Hauts-de-France region).

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group

Other positions	Company	Date
Director and chairman of the ethics committee	Bonduelle SA	2008 to 2019
Director	Caisse Centrale du Crédit Mutuel	2014 to 2016
Chairman	Chambre de commerce and d'industrie Région Nord-Pas-de-Calais (public body)	2011 to 2016
Chairman of the board of directors	Caisse de Crédit Mutuel Lille Liberté (open-ended cooperative credit company)	2005 to 2016
Vice-chairman of the board	Beobank	2012 to 2015
Permanent representative – CMNE Belgium	Mobilease (SA) – Belgium	2009 to 2015
Director	Nord Europe Partenariat	2009 to 2015
Chairman of the supervisory board	Groupe La Française	2006 to 2015
Chairman of the supervisory board	Nord Europe Assurances SA	2006 to 2015
Permanent representative – CFCMNE (*Censeur*)	LOSC Lille Métropole	2005 to 2015
Director	Caisse Solidaire du Crédit Mutuel Nord Europe (open-ended cooperative credit company)	2005 to 2015
Permanent representative – CFCMNE (Director)	Groupe des Assurances du Crédit Mutuel	2005 to 2015
Director	CIC SA	2001 to 2015
Director	BKCP Immo IT SCRL (formerly BKCP SCRL) – Belgium	2001 to 2015
Chairman of the supervisory board	Banque Commerciale du Marché Nord Europe	2000 to 2015
Chairman of the board of directors	Caisse Fédérale du Crédit Mutuel Nord Europe (cooperative limited company)	2000 to 2015
Chairman of the board of directors	Crédit Mutuel Nord Europe Belgium (SA) – Belgium	2000 to 2015
Director	BKCP Banque (formerly Crédit Professionnel SA) - Belgium	2000 to 2015

TIM YEO

Age: 74 – British

Non-independent director of Getlink SE

First appointment: 20 June 2007; length of service: 12 years

End of current term: 2022

7,005 Getlink SE ordinary shares held on 26 February 2020

Member of three committees: Corporate Committee (Chairman), Audit Committee and Economic Regulations Monitoring Committee

Biography, expertise and experience

Tim Yeo is a graduate of Cambridge University and was the Member of the House of Commons for Suffolk South and chairman of the House of Commons Energy and Climate Change Select Committee from 1983-2015. He was government minister for the environment and rural affairs between 1990 and 1994, and a member of the shadow cabinet between 1998 and 2005, with roles including shadow Secretary for Trade and Industry and Transport and the Environment. Tim Yeo was chairman of Sheffield University Energy 2050 Industrial Advisory Board. He was also chairman of AFC Energy PLC from 2006 to 2017 and the founding chairman of The Children's Trust, a charitable organisation that has taken over the management of a hospital for disabled children. He has been a Director of Getlink SE since 20 June 2007.

Tim Yeo brings to the Board of Directors his vision on responsible economics, the environment, his leadership experience and his sound knowledge and perspective of the British context.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020: none

Other French or foreign positions held outside the Group

Other positions	Company	Date
Director	Waste2tricity Limited	2019 to date
Director	NNWI	2018 to date
Director	New Nuclear Limited	2017 to 2019
Director	Clean Energy Solutions Africa (Holdings) Limited	2017 to 2019
Director	Clean Energy Solutions Africa Limited	2017 to 2019
Director	New Silk Road Energy LTD	2016 to date
Director	Anacol Holdings Limited	1979 to date
Director	General Securities Register, Limited	1979 to date
Director	Rivermill Partners Limited	1979 to date
Chairman of the board of directors	AFC Energy PLC	2006 to 2017
Chairman of the board of directors	TMO Renewables Limited	2010 to 2017

Presentation of the new members of the Board of Directors whose appointment will be put to the vote at the General Meeting

SHARON FLOOD

54 years old – British

Independent director of Getlink SE

Biography, expertise and experience

A graduate of the Chartered Institute of Management Accountants and after a university degree in mathematics, Sharon Flood received an MBA from INSEAD. Sharon Flood has extensive experience in finance and strategy across a number of companies including Castorama/Kingfisher and John Lewis Department Stores where she served as finance director. She has also served as a group chief financial officer for Sun European Partners. Her varied career includes more than five years as a director of Network Rail, the owner of the UK's Rail Infrastructure, where she chairs the audit and risk, treasury and environmental sustainability committees, and four years as president du conseil de surveillance for S T Dupont SA. She is currently chair of audit at both Pets at Home Plc, the leading UK pet care company, and Crest Nicholson Plc, a UK housebuilder, as well as a trustee of both the Science Museum Group and the University of Cambridge. Sharon will join the Board of Getlink in September 2020 subject to the vote of the General Meeting.

Sharon Flood will bring to the Board of Directors her acknowledged expertise in accounting and financial matters, particularly in railways, as well as her skills and experience as an independent director of international companies.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 2)

Office	Company / Listing place	Date
Non-executive director/chair of audit	Pets at Home Plc / London (LSE)	2017 to date
Non-executive director/chair of audit	Crest Nicholson Plc / London (LSE)	2015 to date

Other French or foreign positions held outside the Group

Other positions	Company	Date
Non-executive director / Chair of audit, risk, treasury and environmental sustainability	Network Rail	2014 to date*
Trustee and chair of finance	The Science Museum Group	2015 to date
External member of Council/Trustee	University of Cambridge	2019 to date
Non-executive director	British Gymnastics	2016 to 2018

* *Due to end September 2020.*

JEAN-MARC JANAILLAC

Age: 66 – French
Independent director of Getlink SE

Biography, expertise and experience

Jean-Marc Janaillac, a graduate of the École des Hautes Études Commerciales de Paris (HEC) and former student of the École Nationale d'Administration (ENA), started his career in the French civil service (1980-1997) after which he was successively chief operating officer of AOM (1997-2000) and then chairman and chief executive officer of Groupe Maeva (2000-2002). He joined RATP in 2004 as director general of development and became chairman and chief executive officer (2004-2010) and then chairman of the management board (2010-2012) of RATP Développement. In 2012, he became chairman and chief executive officer of Transdev (2012-2016), an international group specialising in land transport. Jean-Marc Janaillac was also a director of Air France from 1989 to 1994 and chairman and chief executive officer of the Air France-KLM group and chairman of Air France (2016-2018). Since 2018, he has been chairman of Fnege (Fondation Nationale pour l'Enseignement de la Gestion des Entreprises).

Jean-Marc Janaillac will bring to the Board of Directors, thanks to his acknowledged stature as chairman and CEO, wide experience in governance, particularly in the regulated infrastructure sector, but also an in-depth knowledge of international transport and transport business models.

Current offices in French or foreign listed companies, outside the Group on 26 February 2020 (number: 1)

Office	Company / Listing place	Date
Director	FNAC Darty / Euronext	2018 to date

Other French or foreign positions held outside the Group

Other positions	Company	Date
Chairman	Thello	2016
Chairman of the management board	RATP Dev	2010 to 2012
Chairman and CEO	Air France KLM	2016 to 2018
Chairman	Air France	2016 to 2018
Chairman and CEO	Transdev Group	2012 to 2016
Director	Caisse des dépots et consignations	Until 2016
Chairman and CEO	Transdev Ile de France	Until 2016
Director and Board Chairman, Président du conseil	Transdev SA	Until 2016
Director and Chairman of the Board of Directors	CFTI	Until 2016
Director	RATP Dev Transdev Asia	Until 2016
Director Chairman of the Board of Directors	Thello	Until 2016
Director and Chairman of the Board	Transdev Sverige (Sweden)	Until 2016
Director and Chairman of the Board	Transdev Northern Europe (Sweden)	Until 2016
Director	Transdev North America (USA)	Until 2016
Director	Transdev Australasia Pty Ltd (Australia)	Until 2016
Director Class A and Chairman of the Board	TBC Holding Pays-Bas	Until 2016

For the purposes of their roles within the Group, the business address of the Directors is the registered office of Getlink SE at 3 rue La Boétie, 75008 Paris, France.

4.2.2 CONFLICTS OF INTEREST WITHIN THE BOARD OF DIRECTORS, THE MANAGEMENT AND GENERAL MANAGEMENT

To Getlink SE's knowledge, there are no potential conflicts of interest between the duties owed to Getlink SE by any of the persons referred to in sections 4.1.1, 4.1.3 and 4.2.1 of this Universal Registration Document, and their private interests or other obligations.

Getlink SE has measures in place to prevent potential conflicts of interest between the Directors and Getlink SE which are described in section 4.2.5.a.vii of this Universal Registration Document.

4.2.3 DIRECTORS' AND EXECUTIVE OFFICERS' INTERESTS IN GETLINK SE'S SHARE CAPITAL

In accordance with article L. 621-18-2 of the French Monetary and Financial Code and articles 223-22 and seq. of the AMF's General Regulations, transactions involving the financial instruments of Getlink SE carried out by any member of the Board or the executive officers (the Chairman and the Chief Executive Officer) or any persons to whom they are related, must be declared[31].

In accordance with article 223-26 of the AMF General Regulations, the following table presents the transactions that were declared by the Chairman and Chief Executive Officer, the Deputy Chief Executive Officer, other members of the Board of Getlink SE or any persons to whom they are related during the 2019 financial year until the date of this Universal Registration Document:

Board member	Financial instrument	Type of transaction	Transaction date	Transaction location	Unit price *	Number of units	Transaction amount *
J. Gounon	Options	Exercise of options	02/01/2019	Euronext Paris	6.33	24,470	154,895
E. De Bernardi di Valserra	Shares	Purchase	11/12/2019	Euronext Paris	15.52	244	3,786
E. De Bernardi di Valserra	Shares	Purchase	11/12/2019	Euronext Paris	15.52	100	1,552
E. De Bernardi di Valserra	Shares	Purchase	11/12/2019	Euronext Paris	15.52	600	9,312
E. De Bernardi di Valserra	Shares	Purchase	11/12/2019	Euronext Paris	15.53	56	869
J. Gounon	Preference shares	Acquisition	18/04/2019	Off market	–	150,000	–
F. Gauthey	Preference shares	Acquisition	18/04/2019	Off market	–	120,000	–
J. Gounon	Preference shares	Acquisition	29/04/2019	Off market	–	132,000	–
F. Gauthey	Preference shares	Conversion	29/04/2019	Off market	–	9,432	–
J. Gounon	Preference shares	Conversion	29/04/2019	Off market	–	34,584	–
J. Gounon	Preference shares	Acquisition	29/04/2019	Off market	–	132,000	–
F. Gauthey	Free shares	Acquisition	19/10/2019	Off market	–	70,400	–
J. Gounon	Free shares	Acquisition	19/10/2019	Off market	–	76,800	–
F. Gauthey	Shares	Sale	19/11/2019	Euronext Paris	15.55	10,000	155,459
J. Gounon	Options	Exercise of options	11/12/2019	Off market	6.42	10,000	64,200
J. Gounon	Shares	Sale	11/12/2019	Euronext Paris	15.28	10,000	152,800
J. Gounon	Options	Exercise of options	27/01/2020	Off market	6.42	47,341	303,929

* *Amounts in euros, unless otherwise indicated.*

Any transactions performed by the corporate officers in Getlink SE financial instruments are governed by the Securities Ethics Charter described in section 4.2.5.a.vii of this Universal Registration Document.

4.2.4 STATEMENTS REGARDING DIRECTORS AND OFFICERS

As at the date of this Universal Registration Document, there are no family connections between any of the members of the Board or the executive committee.

In addition, as at the date of this Universal Registration Document, no member of the Board or the executive committee has been:

- convicted of fraud during the past five years;
- implicated in any bankruptcy, receivership or liquidation proceedings during the past five years; or
- charged with any offence or any official public sanction by any statutory or regulatory authority during the past five years.

To Getlink SE's knowledge, no Director or deputy chief executive officer has been banned by a court from acting as a member of a board of directors, a management or supervisory board of an issuer or from participating in the management or conducting the business of an issuer during the past five years.

Tim Yeo was a director of TMO Renewables Limited until 8 February 2017. This company entered into administration in the UK on 19 December 2013 and was placed in liquidation on 8 December 2014.

[31] *Where transactions carried out by any one of these Directors or executive officers total more than €20,000 in any one calendar year.*

4.2.5 TERMS APPLICABLE TO THE PREPARATION AND ORGANISATION OF THE WORK OF THE BOARD OF DIRECTORS

a) Composition and organisation of the Board of Directors

i) Board Directors

At the date of this Universal Registration Document, the Board of Getlink SE has 15 Directors, of whom two are staff representative directors:

- three non-independent directors,
- two staff representative directors,
- seven independent directors, and
- two directors previously qualified as independent. Since their terms of office have now reached twelve years they are no longer considered independent.

Subject to the General Meeting vote on 30 April 2020, the Board of Directors will be composed, after the General Meeting of 30 April 2020, of nine independent directors, four non-independent directors and two staff representative directors (i.e. 69% independent directors, excluding staff representative directors[32]).

The Board has six female Board Directors and will continue to have six women at the end of the General Meeting of 30 April 2020 i.e. 46% of the Board (excluding staff representative directors[33]), in accordance with the French law of 27 January 2011 on the balanced representation of women and men on boards of directors.

The proportion of Board Directors not resident in France is 46% and will increase to 54% at the end of the General Meeting of 30 April 2020 (excluding staff representative directors).

The members of the Board of Directors of Getlink SE are very active: in 2019, there were a total of 32 meetings of the Board (nine meetings) and its Committees (23 meetings).

The average age of Board Directors is 65 and will decrease to 63 after the 2020 General Meeting. The expertise and complementary experience of the Directors is an advantage for the Group since they bring their industrial, managerial, financial and scientific skills to the organisation and have a diversity of backgrounds with a mix of men/women, ages and nationalities.

Board members are appointed, re-appointed and removed by the shareholders' General Meeting. The Nominations Committee assesses the composition and size of the Board, oversees the assessment process for candidates for the role of member of the Board, determines whether such candidates are qualified to become Board Directors, in accordance with the criteria set out by the Board, and makes recommendations to the Board with regard to the selection of candidates.

The Board has agreed a diversity policy, recognising that a diverse Board encourages more efficient governance and more enlightened decisions. The composition of the Board aims to balance experience, ability and independence in line with the equality and diversity which reflect the binational nature of the business. Good synergy within the Board depends on the diversity (in terms of nationality, skills and so on), equality and complementarity of its members. The Board, as a whole, must also adequately reflect the communities within which the Group carries on its business (public/private; transport business; rail infrastructure; cross-Channel market; Franco-British business; crisis management).

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[32] *The staff representative directors are not taken into account in the calculation of the independence percentage, in accordance with the Afep/Medef Code.*

[33] *The staff representative directors are not taken into account in the calculation of the percentage of women on the Board, in accordance with article L. 225-27 of the French Commercial Code.*

Name	MAIN EXPERTISE								
	Governmental affairs/ regulations	Executive/Senior management	Accounting and finance	Risk management	Governance and CSR	Human resources/ remuneration	Customer service	Mergers and acquisitions	New technologies
Jacques Gounon	✓	✓	✓	✓	✓	✓	✓	✓	
Corinne Bach		✓	✓		✓		✓	✓	✓
Bertrand Badré	✓	✓	✓	✓	✓			✓	✓
Giancarlo Guenzi		✓	✓	✓	✓			✓	
Elisabetta De Bernardi di Valserra			✓	✓				✓	✓
Patricia Hewitt	✓	✓	✓	✓	✓	✓	✓		
Peter Levene	✓	✓	✓	✓	✓		✓	✓	
Colette Lewiner		✓	✓	✓	✓	✓			✓
Sharon Flood			✓	✓	✓		✓	✓	✓
Perrette Rey	✓	✓	✓	✓	✓	✓		✓	
Stéphane Sauvage				✓		✓	✓		
Jean-Pierre Trotignon	✓	✓		✓	✓		✓		✓
Philippe Vanderbec				✓		✓	✓		
Jean-Marc Janaillac	✓	✓		✓	✓	✓	✓	✓	
Tim Yeo	✓	✓			✓		✓	✓	

It is expected that Directors should have the following essential qualities:

- to be mindful of the interests of the company;
- to be a good judge, in particular of situations, strategies and persons, based primarily on their experience;
- to be able to anticipate so as to identify risks and strategic issues;
- to have integrity, be present, active and involved.

The following qualifications or attributes are taken into account in the selection of Directors: management and/or board experience, comprehensive and multi-disciplinary experience, integrity and professionalism, and personal qualities required to contribute actively to the discussions of the Board.

At its meeting on 26 February 2020 and on the recommendation of the Remuneration Committee, the Board of Directors decided to seek a vote on the necessary change to the Articles of Association so that each Getlink SE Director will be obliged to hold a number of ordinary Getlink SE shares corresponding to the equivalent of one year's Director's remuneration (formerly called Directors' fees). Directors will have three years to acquire such shares. If any of the Directors do not own the prescribed number of ordinary shares, they are deemed to have resigned unless the situation is remedied within the appropriate time.

If there are one or more vacancies on the Board, the Board may, between two General Meetings, make interim appointments in accordance with the provisions of article L. 225-24 of the French Commercial Code. The term of office of Directors appointed as a replacement for another director is the remainder of the term of office of their predecessor.

In order to ensure the continuity, coherence and quality of the Board's work, and in accordance with recommendation 12 of the Afep/Medef Code relating to training of new directors, Getlink SE offers new Board members an induction period designed to facilitate their integration: on-site visits to facilitate an understanding of the Group's business, a briefing on economic/financial data, the Group's key constitutional documents and the possibility to attend external training, including with the Institut Français des Administrateurs (French institute of directors). The staff representative directors who joined the Board followed a specific introductory two-day training programme organised by the Institut Français des Administrateurs in addition to the complementary training they received on joining the Remuneration Committee in order to hone their specific skills in the area of remuneration policy for executive officers.

As at the date of this Universal Registration Document, the term of office of a Director in the Articles of Association is four years. The appointment terminates at the end of the ordinary General Meeting called to approve the financial statements of the preceding financial year and held during the year in which their term of office expires.

All outgoing members are eligible for re-election. Notwithstanding the above, the number of Directors aged over 75 years old serving on the Board as individuals or as permanent representatives of legal entities may not exceed one third (rounded up to the nearest whole number, if applicable) of the number of Directors serving at the end of each General Meeting called to approve the parent company's financial statements. If this limit is exceeded, the oldest Director is automatically deemed to have resigned. As a good conduct guideline, the Directors have agreed in the Internal Rules of the Board of Directors to retire from office when they reach the age of 80.

ii) Chairman of the Board

The Board appoints one of its members as Chairman for a period identical to their term of office as Director, unless the Board sets a shorter term. The Chairman must be an individual.

The Chairman of the Board represents the Board. He directs and organises the work of the Board and reports on this to the General Meeting. He ensures the proper functioning of Getlink SE's bodies and, in particular, that members of the Board are able to perform their duties.

The age limit for the position of Chairman of the Board is 70. The term of office of the Chairman expires on the date of the ordinary General Meeting called to approve the financial statements of the financial year during which the serving Chairman reaches the age limit. However, the Board may extend or renew the term of office of the Chairman for additional one-year periods, up to five times.

Should the Chairman be temporarily unable to carry out his duties or in the event of his death, the Board may appoint a Director to serve in his place. Where the impediment is temporary, the appointment is for a limited period, which may be renewed. In the event of the incumbent's death, the appointment is effective until a new Chairman is appointed.

iii) Meetings of the Board

The Board meets as frequently as the interests of the company require and at least three times each year. Meetings are called by the Chairman or by the Director designated to act in the Chairman's place and are held at the registered office or at any other place specified by the person who calls the meeting. However, if the Board has not met for more than two months, Directors representing at least one third of the members of the Board and, if appointed, the Chief Executive Officer, may request that the Chairman call a meeting on a specific agenda.

Meetings of the Board are conducted in French with a free translation into English. Documents provided to members for meetings of the Board, as well as minutes of the meeting, are prepared in French with a free translation into English.

iv) Quorum

The presence of at least one half of the serving members is required for a meeting of the Board to proceed to business. The Internal Rules of the Board provide that members are deemed to be present within the scope of article L. 225-37 of the French Commercial Code, for the purpose of calculating the quorum and majority, when they participate by videoconference or other means of telecommunication that enable them to be identified and to participate in the meeting in accordance with governing laws and regulations. This provision does not apply for the approval of decisions referred to in articles L. 232-1 and L. 233-16 of the French Commercial Code.

The Board of Directors, by deliberation of 26 February 2020, decided to submit to the vote of the General Meeting of 30 April 2020 the harmonisation of article 20 of the Articles of Association with the law no 2019-744 dated 19 July 2019 to enable decisions falling within the Board's own remit to be taken by written consultation of the directors.

v) Majority

Decisions are taken by a majority of members present or represented, with the Chairman casting the deciding vote in the event of a tied vote.

vi) Powers

The Board determines Getlink SE's business objectives and oversees their implementation. Subject to the powers expressly granted to shareholders in General Meetings and within the limits of the corporate purpose, the Board may consider any matter affecting the proper functioning of Getlink SE and takes decisions in this respect in the interest of all shareholders.

The Board of Directors is committed to promoting the creation of long-term value in the organisation by considering the social and environmental challenges of its activities. The Board regularly considers, in connection with the strategy it has defined, financial, legal, operational, social and environmental and other opportunities and risks, as well as the measures taken as a result. The Board of Directors ensures, where appropriate, that a system is in place to prevent and detect corruption and influence peddling. It also ensures that executive corporate officers implement a policy of non-discrimination and diversity, in particular with regard to the balanced representation of women and men on management bodies.

In its relations with third parties, Getlink SE is bound by decisions of the Board that do not fall within its corporate purpose, unless it can prove that the third party knew or should have known in the circumstances that the decision exceeded the corporate purpose. However, the publication of the Articles of Association does not alone constitute such proof.

The Board may carry out such controls and checks as it deems appropriate. Each Director receives all information and documents needed to perform their duties in accordance with the conditions set out in the Internal Rules of the Board, particularly as regards confidentiality.

The Board may decide to establish committees for the purpose of considering issues that the Board or its Chairman may submit for their review. The Board determines the composition and terms of reference of the said committees, which conduct their business under the responsibility of the Board. The Board also determines the remuneration of the committee members, if any.

The Board decides or authorises the issue of debt securities pursuant to article L. 228-40 of the French Commercial Code, unless the General Meeting resolves to exercise this power.

vii) Board members' rights, information and ethics (Ethics Charter, code of conduct, Internal Rules)

From the outset the Group has built its strong values, which ensure cohesion, its future and its development. The Board is committed to promoting those values, as well as the governance and ethical practices, within the Group.

Governance

The Corporate Committee ensures that the ethical culture and principles applicable to management and the entire staff are communicated within the business. The Chairman and Chief Executive Officer supports the ethics and compliance policy with, in particular, a strong zero-tolerance message in the fight against corruption. The implementation of this approach is led by the Compliance Officer, who steers the ethics action plans and leads an internal working group (Compliance Steering Group). This committee brings the Internal Control, Internal Audit, Legal, Human Resources and Public Affairs departments together to oversee compliance with the rules set out in the Ethics Charter and the procedures contained in it, with the responsibilities being allocated to the relevant departments. The compliance convergences and links are set out in a matrix of compliance topics with owners allocated to each topic. The Legal Department is thus the owner of the topics relating to personal data. The Board secretariat monitors financial market laws and regulations, as well as best practice with regard to corporate governance, and ensures they are transposed into internal procedures. Deployment in the subsidiaries is carried out by a network of correspondents.

Group Ethics Charter

The Group has established a Group Ethics Charter. In accordance with the United Nations Global Compact, the Group Ethics Charter describes the fundamental values which must guide every team member, whatever the circumstances, by reference to the OECD guidelines for multinational companies.

The format of the Charter was reviewed at the initiative of the Corporate Committee and the Audit Committee. On 18 December 2018, the Board of Directors approved a more illustrative and practical format so as to offer a practical guide to ethics. This Charter forms the bedrock underpinning all internal policies, codes of conduct and specific procedures adopted by Getlink (including the anti-corruption policy, the competition policy and the Securities Ethics Charter).

The Directors' Charter

The Directors' Charter sets out the rights and obligations of each Director, in particular with regard to conflicts of interests. Each Director undertakes to abide by this charter and carry out their duties with independence, integrity, loyalty and professionalism. As indicated below, the Senior Independent Director ensures that the Board and its committees abide by governance practices and is responsible for handling any conflict of interests of executive corporate officers and other members of the Board: *"Directors undertake, in all circumstances, to maintain their independence of analysis, judgement, decision and action and to reject any direct or indirect pressure on them from other Directors, groups of shareholders, creditors, suppliers, and more generally, any third party. In particular, Directors must avoid plurality of functions within companies, which directly or indirectly compete with the company, such plurality being likely to affect the interest of the company, or its governance. […] Directors undertake not to seek or accept from the company or the subsidiaries thereof, directly or indirectly, any advantages likely to affect their independence*."

Conflicts of interest within the Board are managed as follows:

- all Directors are under the obligation to inform the Board of any circumstances – even potential – of a conflict of interest between themselves (or any individual or legal entity with which they have a business relationship) and Getlink SE or any of the companies in which Getlink SE has an interest, or any company with which Getlink SE intends to enter into an agreement of any nature whatsoever;
- if a Director is unsure about the existence of a conflict of interest – even potential – he or she must immediately inform the Chairman of the Board who will have the responsibility of deciding whether or not the Board must be informed, and thereupon initiate the procedure for managing conflicts of interest;
- if the member of the Board referred to in the previous subparagraph is in fact the Chairman of the Board, the Chairman must inform the Senior Independent Director of the Board, or failing that, the Board itself;
- the relevant Director must refrain from voting in the Board's decision regarding the conclusion of the agreement in question and from participating in the discussion preceding that vote; and
- additionally, the Chairman of the Board, the members of the Board, the Chief Executive Officer and, as the case may be, the Deputy Chief Executive Officer(s) are under no obligation to communicate information or documents relating to the agreement or the transaction from which the conflict of interest arose to the member or members of the Board when they have reasonable grounds to believe that the member or members have a conflict of interest; they must inform the Board of the information or documents being withheld.

Securities Ethics Charter

The Board drew up a code of conduct governing transactions in securities so as to avoid any insider trading issues. This code was updated following the entry into effect of EU Regulation 596/2014 of 16 April 2014 on market abuse and the AMF guidance of 26 October 2016 on permanent reporting and the management of inside information. The first part of the code, which is now called the Securities Ethics Charter, sets out the essential ethical principles that apply and the second part sets out the applicable preventive measures, with specific preventive measures for financial transactions. The appendix to the code contains a description of the legal and regulatory provisions applicable, together with details of potential sanctions. This code sets out the blackout periods for securities transactions and the exercise of options. This recommendation covers all types of exercises of options including simple exercises, i.e. options exercised without an ensuing sale. The code defines the following blackout periods:

- a minimum of 30 calendar days prior to the publishing of the annual and half-yearly financial statements; and
- a minimum of 15 calendar days prior to the publishing of the quarterly disclosures.

Non-regulated agreements

Getlink has set up an internal control procedure for regulated and non-regulated agreements. This procedure was drawn up in accordance with the relevant regulations pursuant to the French law no 2019-486 for the growth and transformation of companies of 22 May 2019 (the "PACTE law") and French financial market recommendations, in particular recommendation no 2012-05 of the Autorité des marchés financiers of 2 July 2012, as amended on 5 October 2018.

The agreements covered by article L. 225-38 of the French Commercial Code, referred to as "regulated agreements", are subject to a specific procedure and must be subject to prior authorisation by the Board of Directors and a special report by the statutory auditors before being presented to the shareholders' meeting for approval.

Agreements relating to current operations and concluded under normal conditions as well as intra-group agreements between two companies, one of which directly or indirectly holds 100% of the capital of the other, are excluded from this control procedure.

The internal procedure describes the following:

- the parties involved and the criteria to be considered in order to qualify a current transaction and a transaction concluded under normal conditions;
- the procedure for identifying agreements, which is based on an assessment conducted by a committee composed of the Finance Department, the Legal Department and the Getlink Board Secretariat with the support of the teams concerned and a review at least once a year of current agreements entered into under normal terms and conditions; and
- the specific procedures to be applied depending on whether the agreement is a standard agreement entered into under normal conditions, subject to an annual review by the Board of Directors, or a regulated agreement, subject to prior authorisation by the Board of Directors and approval by the General Meeting as well as an annual review.

Internal Rules

The Board has approved a set of Internal Rules to complement the laws, regulations and Articles of Association, specifying the role and functional practices of the Board and its committees, with particular attention given to the principles of the Afep/Medef Code. The Internal Rules are updated on a regular basis and most recently on 26 February 2020, with respect to the powers of the Chairman and the Chief Executive Officer with effect from 1 July 2020 following the separation of the roles.

The Internal Rules include specific provision concerning the composition of the Board and the independence criteria applied to its members, the duties and powers of the Board, information provided to members and the Internal Rules of each of its committees.

The main provisions of these Internal Rules are described below.

Role of the Board of Directors (article 1 of the Internal Rules)

The Board of Directors has the following roles as part of its management responsibilities for Getlink SE. It undertakes them in the best interests of the company taking into consideration the social and environmental stakes of its activity and the framework of its legal and constitutional obligations:

- appoints or removes the corporate officers and decides whether the Chairman and Chief Executive Officer roles should be combined or separate;
- defines strategy guidelines for Getlink SE and the Group, including medium-term strategic plans, as well as proposed investments, divestments and internal reorganisations and the Group's overall human resources policy, in particular its remuneration, profit-sharing and staff incentive policy as well as its policy of non-discrimination and diversity, in particular with regard to equal pay and balanced representation of women and men in management bodies;
- carries out an annual appraisal of the performance of general management;
- considers major strategic transactions involving the acquisition or disposal of equity investments and assets, partnership agreements, joint ventures or cooperation agreements relating to research, development, industrial or commercial matters, litigation and significant dealings and more generally any transaction or undertaking that could have a significant impact on the financial or operating situation of the Group; any significant transaction outside the annual budget is subject to prior approval by the Board; this rule applies to external acquisitions and disposals, as well as major investments in organic growth or internal restructuring including those envisaged in article 3 of the Internal Rules;
- approves the annual financial statements, approves the management and corporate governance reports, approves the half-yearly financial statements and the forecast financial statements referred to in article L. 232-2 of the French Commercial Code;
- authorises Getlink SE's Chief Executive Officer, with the option of sub-delegation, to grant sureties, endorsements and guarantees, setting an overall ceiling for each financial year and, where applicable, a maximum amount per transaction;
- approves the annual budgets and regularly monitors their execution;

- is kept informed by its Chairman and its committees of all significant events affecting the business, financial situation and cash flow of Getlink SE and the Group and of the company's commitments. It is informed in a timely manner of the company's liquidity positions so that it can take, where necessary, decisions regarding its financing and its debt;
- sets the annual performance objectives of the Chairman and Chief Executive Officer and of the Deputy Chief Executive Officer and their remuneration in accordance with the principles defined in the Afep/Medef Code, as amended, and submits this remuneration to the General Meeting for vote in accordance with the conditions required by law and the recommendations of the Afep/Medef Code, as amended;
- takes note of the essential characteristics of the internal control and risk management systems adopted and implemented by general management. Specifically, the Board checks with general management that the coordination procedure and internal control and risk management systems are able to ensure the reliability of the company's financial disclosures and give a true and fair view of the results and financial position of the company and the Group;
- is aware of the essential characteristics of the anti-corruption measures adopted and implemented by general management;
- ensures that strategies and objectives are in place for the known major risks facing the company, and that these major risks are taken into account in the company's management;
- approves the Group governance policy, i.e., the corporate governance guidelines given by Getlink SE to the entities it consolidates and the appointment of their corporate officers; a Director may be appointed as a member of the Board of Directors of a Group subsidiary;
- ensures that proper information is provided to shareholders and the public, particularly through the control that it exercises over information provided by the organisation; in this capacity, it defines the communication policy of Getlink SE concerning the frequency of publication of financial information relating to the Group. In particular, it approves the text of press releases announcing annual and half-yearly financial results as well as any significant event with respect to the financial markets; and
- approves regulated agreements as required by the laws and regulations in force at the relevant time.

The Internal Rules state that shareholders should be consulted when the sale of assets representing one half or more of the company's assets over the last two financial years is considered. This threshold is considered to have been attained when two ratios reach or exceed half of the consolidated amount (calculated for the divesting company over the previous two financial years). Ratios include:

- revenue realised by the assets or operations sold to total consolidated revenue;
- the sale price of the asset(s) sold to the stock market capitalisation of the Group;
- the net carrying amount of the asset(s) sold to the total consolidated balance sheet;
- the pre-tax current net result generated by the assets or operations sold to consolidated pre-tax current net result; and
- the number of employees of operations sold compared to the total Group workforce.

Members of the Board (article 2 of the Internal Rules)

- Irrespective of their specific position or competences, each Director must act in the best interest of the company.
- Each Board Director must devote the time and attention necessary to fulfil their duties and participate in meetings of the Board and of the committees of which they are a member.
- The Board must be composed of members chosen for their skill and experience relevant to the business of the Group.
- Members of the Board may attend training sessions on matters specific to the business, its activities or its business sector, such training being organised by Getlink SE on its own initiative or at the request of the Board.
- Each Director is required to notify the AMF and Getlink SE of any acquisition, disposal, subscription or exchange of financial instruments issued by Getlink SE or any transaction in related financial instruments, in accordance with applicable regulations.
- The duties of Directors are as described in the Afep/Medef Code. Before accepting the position, Directors must ensure that they are aware of the general obligations of Board members and of those specific to their role. Directors must be aware of all relevant provisions of the governing law, the Articles of Association of Getlink SE and the Internal Rules of the Board that apply to them.
- Each Director has the obligation to disclose to the Board any actual or potential conflict of interest between them and Getlink SE or the Group and must abstain from voting on matters considered at meetings of the Board to which the conflict of interest relates, unless the conflict of interest arises in connection with an agreement entered into in the ordinary course of business under normal conditions. In respect of ElecLink, the Internal Rules contain restrictions for members who represent or have a professional activity in an electricity generation or supply company.
- The number of additional appointments held by members of the Board in listed companies outside the Group is limited to two additional appointments in listed companies outside the Group for chief executive officers and to four additional appointments in listed companies outside the Group for other directors. This includes any appointments held in foreign listed companies. Board members must inform the Board of any new appointment. The limit is assessed on each appointment or re-appointment. In accordance with recommendation 18.2 of the Afep/Medef Code, the executive officers must receive prior advice from the Board before accepting another appointment in a listed company.

- Board members must all contribute towards determining the business strategy of the Group and overseeing the implementation of such strategy. They must supervise the management of the Group appropriately.
- All papers and packs provided at meetings of the Board and all information obtained during or outside such meetings of the Board are strictly confidential without exception, regardless of whether it was marked confidential. Board members must consider themselves bound to secrecy beyond a mere obligation of discretion.
- In addition to this obligation of confidentiality, Directors undertake not to make public statements in their capacity as members of the Board on any matter pertaining to the Group, whether or not related to meetings of the Board, without the prior consent of the Chairman.
- Every Board Director must comply with all market regulations intended to prevent market abuse that would be harmful to the interests and reputation of the Group.

Chairman of the Board of Directors (article 2 bis)

In accordance with the law and the company's Articles of Association, it is up to the Board of Directors to decide whether or not to entrust the general management of the company to the Chairman of the Board, at the time of his appointment.

Main responsibilities

In either case, the Chairman organises and directs the work of the Board of Directors, ensures the proper functioning of the company's bodies and, in particular, that the directors are able to carry out their duties in accordance with the principles of good governance.

The Chairman organises and directs the work of the Board and ensures that the Board and the Board Committees operate efficiently and in accordance with the principles of good governance. Within this framework, the Chairman ensures that:

- the highest standards of integrity, probity and governance are promoted within the Group, in particular at Board level, thereby ensuring the effectiveness of the Board;
- the relationship between the Directors/Chairmen of Board Committees is managed and, in this respect:
  - effective relationships and open communication are promoted and an environment that allows for constructive debate and exchange, both during and outside of meetings, among directors is created;
  - he provides leadership and governance to the Board of Directors so as to foster the necessary conditions for overall effectiveness of the Board and individual directors and that all key and appropriate issues are well prepared and discussed by the Board and the various committees in a timely manner;
  - the schedule of Board meetings is set, in consultation with the Chief Executive Officer and the Secretary of the Board, and that the agenda takes full account of issues of importance to the Group and those that may be raised by Directors and that sufficient time is devoted to an in-depth discussion of significant and strategic issues with the Board devoting the necessary time to issues concerning the future of the Group, and in particular its strategy;
  - the Board evaluation process, the search for new Board members and the induction programme are dealt with in conjunction with the relevant committees;
  - shareholder General Meetings are organised, in conjunction with the Chief Executive Officer and the chairs of the various Committees and chairing those meetings, relations with shareholders are supervised and that there is effective communication with them;
- the relationship with the Chief Executive Officer is managed:
  - he acts as an experienced advisor to the Chief Executive Officer on all matters concerning the interests and management of the company;
  - the Chief Executive Officer implements the strategies and policies determined by the Board effectively, without prejudice to the prerogatives of the Board of Directors and its committees, the Chairman is regularly informed by the Chief Executive Officer of any significant event relating to the company's strategy within the framework of the guidelines set by the Board, as well as major external growth projects, major financial transactions, corporate actions or the appointment of business unit managers and key corporate functions. He receives from the Chief Executive Officer all useful information in order to coordinate the work of the Board and its committees. He manages all potential conflicts of interest as set out in the Directors' Charter.

Specific responsibilities

If the Chairman of the Board is not in charge of general management, he is entrusted by these Internal Rules with the following specific duties in addition to the general powers provided for by law and in close collaboration with the Chief Executive Officer: The Chairman of the Board is given a special mandate for the purpose of:

- representing the Group in its high-level relations, leading or participating in any discussion between the Company and its stakeholders, its high-level relations, particularly with public authorities, financial institutions, and/or major commercial partners, both nationally and internationally;
- representing the Board of Directors in its relations with major shareholders and institutional investors outside meetings of the General Meeting (which he chairs), in coordination with the Chief Executive Officer, who retains responsibility for communication on matters falling within his remit and where appropriate in coordination with the Senior Independent Director if the Board has decided to appoint one of its members to this function in accordance with article 6;

- assuming a role in driving strategy in close coordination with the Chief Executive Officer, involving, in particular, participating in the preparation of the Board's annual strategy seminar, organising the Board's strategic work, or projects presented to the Board for approval; this responsibility may require the Chairman to be consulted by the Chief Executive Officer on any significant event affecting strategy and to be invited to certain internal executive meetings;
- providing support to executive management on issues affecting the balance and cohesion between the French and British components of the Group and the teams within it.

In all these specific duties, the Chairman acts in close coordination with the Chief Executive Officer, who alone is responsible for the direction and operational management of the company. He ensures that a close and trusting relationship is maintained with general management and provides it with assistance and advice while respecting its executive duties. The Chairman's duties are contributory in nature and do not confer any executive powers on him.

Information

The Chairman ensures that the information provided to the Directors enables them to make informed decisions and, when he is not in charge of general management, he ensures that the Chief Executive Officer communicates the documents and information necessary for the Directors to be able to perform their duties. The Chief Executive Officer keeps the Board regularly informed of significant events and situations relating to the life of the Group and the Board may ask him for any information that may enlighten the Board and its Committees. He may meet with the statutory auditors in order to prepare the work of the Board. The Chairman of the Board is kept informed by the Chief Executive Officer of significant events and situations, in particular urgent situations relating to the life of the Group, so that the Chairman may inform the Board. He may ask the Chief Executive Officer for any information likely to be useful to the Board.

The Chairman of the Board's duties include ensuring that the Board is informed of any issue relating to compliance with the principles of corporate social and environmental responsibility, market trends, the competitive environment and the main challenges (regulatory issues, when applicable), and that the Chief Executive Officer communicates in a timely manner any information that he deems relevant in this respect; the Chairman of the Board ensures that shareholders' rights are respected when General Meetings are being organised.

Chief Executive Officer (article 3)

The Chief Executive Officer is vested with the broadest powers to act in all circumstances in the name of the company subject to the restrictions resulting from the obligation to submit decisions relating to the significant transactions referred to in article 1 of these Internal Rules to the Board for prior approval.

The following transactions are considered to be significant (non-exhaustive list):

- any acquisition and disposal of assets or equity interests, investment or divestment, creation, acquisition or disposal of any subsidiary or equity interest, or internal restructuring, when the total of such investment exceeds €20 million;
- to the extent compatible with the contracts and commitments in force at the relevant time, any borrowing of an amount in excess of €10 million, as well as any refinancing or voluntary repayment of any indebtedness;
- any transaction having an impact on equity, where the amounts involved exceed €10 million;
- in the event of a dispute, the conclusion of all treaties or transactions, or the acceptance of all compromises, when the amounts involved exceed €10 million; or the
- the granting of any security interest in the company's assets.

When such transactions, decisions or commitments give rise to successive payments linked to the achievement of results or objectives to the third party or parties involved in the contract, linked to the achievement of results or objectives, the limits are assessed by adding these different payments together. The prior approval procedure is not applicable to intra-group transactions and decisions that will give rise to the conclusion of agreements exclusively involving subsidiaries and the company itself.

The Chief Executive Officer is responsible for the appointment of senior management; however, he will inform the Board of the identity, skills and experience of the selected candidates before appointing the main operational managers and heads of functions.

Board proceedings, videoconferencing or teleconferencing (article 4 of the Internal Rules)

The Internal Rules of the Board state that Directors may participate in meetings by all means authorised by law and the Articles of Association, including videoconferencing or teleconferencing as long as such videoconferencing or teleconferencing facilities (i) enable the transmission of at least the voices of the participants and (ii) satisfy technical requirements enabling the continuous and simultaneous transmission of the proceedings. The Board of Directors, by deliberation of 26 February 2020, decided to submit to the vote of the General Meeting of 30 April 2020 the harmonisation of article 20 of the Articles of Association with the law no 2019-744 dated 19 July 2019 to enable decisions falling within the Board's own remit to be taken by written consultation of the directors.

Information for Board members (article 5 of the Internal Rules)

The Chairman or the Chief Executive Officer gives each Director the documents and information needed to carry out their duties, subject to the confidentiality obligations described in the Internal Rules.

Committees (article 3 of the Internal Rules)

The Board may establish temporary or permanent specialised committees consisting of members appointed by the Board, with one committee member designated by the Board as the committee chairman.

The Board has established an Audit Committee, a Nominations Committee, a Remuneration Committee, a Safety and Security Committee, a Corporate Committee and an Economic Regulations Monitoring Committee.

Independent Directors

At least half of the Directors must be independent within the scope of and in accordance with the criteria set out in recommendation 8.5 of the Afep/Medef Code.

The criteria for Directors to be viewed as independent are the following:

- not to be nor have been during the course of the previous five years:
  - an employee or chief executive officer of Getlink SE;
  - an employee, chief executive officer of a company or a director of a company consolidated within Getlink SE;
  - an employee, chief executive officer or a director of the company's parent company or a company consolidated within this parent;
- not to be nor have been during the previous five years an executive corporate officer of a company in which Getlink SE holds, either directly or indirectly, a directorship or in which an employee appointed as such or an executive corporate officer of the Company (currently in office or having held such office for less than five years) is a director;
- not to be a customer, supplier, investment banker or commercial banker:
  - that is material to Getlink SE or the Group,
  - or for whom Getlink SE or the Group represent a significant part of their business.

  The evaluation of how significant the relationship is with Getlink SE or the Group must be debated by the Board. The Board of Directors assesses the significance of the business relationship with the company. The significance or not of a business relationship is not only considered in terms of quantitative criteria. The Board also considers other parameters when determining whether such a relationship is material and free of major conflict.
- not to be related by close family ties to an executive corporate officer;
- not to have been an auditor of the company within the previous five years;
- not to have been a Director of Getlink SE for more than 12 years.

Board members representing substantial shareholders of the company may be considered independent so long as such shareholders do not participate in the control of the company. However, where the interest of the shareholder in question exceeds 10% of the share capital or voting rights, the Board must consider the matter of the Director's independence, on the basis of a report from the Nominations Committee, taking into account the structure of the capital of the company and the existence of potential conflicts of interest.

Independent Directors who have served more than 12 years as a Director of Getlink SE shall no longer be considered independent and shall resign from office as a Directors of Getlink SE no later than 12 months afterwards.

Directors who have reached the age of 80 shall resign from office no later than 12 months after their 80th birthday.

Board members who satisfy the independence criteria

The Board is required to verify at least once a year that Directors satisfy the independence criteria set out above. The independence of the two staff representative directors is not assessed, in accordance with the recommendations set out in the Afep/Medef Code.

After consideration of their individual position by the Nominations Committee, the Board considered that on 26 February 2020 that the following Directors met the independence criteria set out in the Afep/Medef Code: Patricia Hewitt, Perrette Rey, Peter Levene, Colette Lewiner, Corinne Bach, Bertrand Badré as well as Jean-Pierre Trotignon.

Jacques Gounon, in his capacity as Chairman and Chief Executive Officer is not considered to be an independent Director nor are Elisabetta De Bernardi di Valserra and Giancarlo Guenzi. They represent Atlantia which controls Aero I Global & International S.à.r.l., Getlink SE's principal shareholder.

The Board of Directors took due note that at the date of this report Colette Neuville, Tim Yeo and Philippe Vasseur have reached 12 years of service.

Philippe Vasseur and Tim Yeo have reached 12 years of service as directors of Getlink SE so are no longer considered as independent. In order to preserve the collective efficiency of the Board of Directors, as well as the desired level of independence and to allow the entry into the Board of Directors of members who can be qualified as independent with regard to the criteria set by the Afep/ Medef Code, Philippe Vasseur has agreed to retire from the Board of Directors after the General Meeting of 30 April 2020.

On 20 February 2019, the Board of Directors had considered that Colette Neuville's independence of mind, her freedom of speech and her critical spirit enabling her to challenge the general management were all elements justifying her being considered as independent until the end of her term of office as director at the end of the general meeting of 30 April 2020. Colette Neuville's term of office will not be proposed for renewal.

The Board, on the recommendation of the Nominations Committee, has assured itself that there are no significant business relationships between Group companies, and other companies outside the Group in which independent Board members of Getlink SE are also appointed as a director.

The Board referred to a table summarising fund flows (purchases and sales) during the last financial year, between:

- Group companies, and
- Group companies of which independent Directors of the company are also a board member.

These fund flows are considered in relation to the total weight of purchases and sales, for each group, to measure their significance. For 2019, this table shows that the sum of sales of the company's Group, to any one of the groups concerned, or of its purchases from any one of those groups, does not exceed 0.2% of the total sales or purchases of the company's Group or of any one of the groups concerned, with the exception of two suppliers, EDF and Colas, of which Colette Lewiner is a director.

Firstly, the Board noted and confirmed the practice of initiating calls for tender. The Board carried out a qualitative analysis of the parameters used to determine whether or not such a relationship is material and if it is exempt from conflicts of interest, including but not limited to:

- the length and continuity (precedence, history, renewals);
- the importance or the "intensity" of the relationship (possible economic dependency; exclusive relations or predominance in the sector in which the business relationship is established; distribution of bargaining power, etc);
- the organisation of the relationship: Colette Lewiner is not a member of the Board of the contracting companies (FM, CTG, Europorte) and holds no direct deciding power over the contracts and agreements constituting the business relationship; Colette Lewiner has received no remuneration associated with the contract, link or business relationship that may exist with EDF and Colas.

Thus, the Board on the recommendation of the Nominations Committee, confirmed the absence of any significant business relationship in 2019.

The following table sets out the position of each Director in relation to the independence criteria referred to in the Afep/Medef Corporate Governance Code:

Criteria	Board members	J. Gounon	E. De Bernardi	G. Guenzi	J.P. Trotignon	C. Lewiner	P. Hewitt	B. Badré	P. Rey	C. Neuville	C. Bach	P. Levene	P. Vasseur	T. Yeo
AFEP/MEDEF	**Criterion 1** (employee/corporate officer)	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
AFEP/MEDEF	**Criterion 2** (subsidiaries)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
AFEP/MEDEF	**Criterion 3** (economic relationship)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
AFEP/MEDEF	**Criterion 4** (family ties)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
AFEP/MEDEF	**Criterion 5** (auditor)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
AFEP/MEDEF	**Criterion 6** (Board member for 12 years)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	X
	Criterion 7 (key shareholder)	✓	X	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

*Key: **"✓"** indicates the criterion is met; **"X"** indicates the criterion is not met. **Criterion 1:** has been an employee or corporate officer within the last five years; **criterion 2:** existence (or non-existence) of cross-directorships; **criterion 3:** existence (or non-existence) of a significant business relationship; **criterion 4:** existence (or non-existence) of close family ties with a corporate officer; **criterion 5:** has not been an auditor of the company in the last five years; **criterion 6:** has not been a Director of the company for more than 12 years; **criterion 7:** is a key shareholder.*

Senior Independent Director

In accordance with the Internal Rules of the Board, the Senior Independent Director must be independent as defined by the Afep/Medef Code. The Senior Independent Director is appointed for the duration of his/her term of office as Director.

The Senior Independent Director has the following duties:

- monitor and manage any potential conflict of interest situations that may arise for the executive corporate officers and other Directors;
- suggest additional agenda items to the Chairman for meetings of the Board, as required;
- ensure that the Board and committees adopt good governance;
- manage the annual assessment of the Board on the basis of an anonymous detailed questionnaire on the roles and competence of the Board, its functioning as a whole and the areas dealt with by the Board and its committees.

In order to preserve his/her independence, the Senior Independent Director is not remunerated for this role.

At the date of this report, Colette Neuville is Getlink SE's Senior Independent Director. Her appointment will not be renewed at the General Meeting of 30 April 2020.

In 2019, the Senior Independent Director, who also chairs the Remuneration Committee, conducted a regular dialogue with general management and the Chairs of the Board committees, led the internal board assessment in 2020 with regard to 2019, contributed to the communications with shareholders relating to governance and the remuneration of the executive officers and assisted in establishing the practice of having meetings without the executive officers present ("executive sessions").

Set against the context of the separation of the roles of Chairman and Chief Executive Officer there are no immediate plans to appoint a new Senior Independent Director to replace Colette Neuville.

Staff representative Director

In accordance with the provisions of article L. 225-27 of the French Commercial Code, the shareholders' General Meeting held on 18 April 2018 amended the company's Articles of Association to approve the formalities for the appointment of the requisite number of staff representative director(s) as required by law and the appointment was made in the six months following approval of the amendment of the Articles of Association. The staff representative Directors have the same status, rights and responsibilities as the other Directors. The Board of Directors, by deliberation of 26 February 2020, decided to submit to the vote of the General Meeting of 30 April 2020 the harmonisation of articles 15, 16 and 17 of the Articles of Association relating to members of the Board in order to reflect the new wording of article L. 225-45 arising from law no 2019-486 dated 22 May 2019 relating to the growth and transformation of businesses, the so-called "PACTE law" and to supplement these arrangements with the possibility of making optional appointments.

b) Operation of the Board of Directors

In 2019, the Board held 9 meetings. The average attendance rate per meeting for Board Directors was 97%.

Attendance at meetings of the Board in 2019

Board Meetings	Number of meetings	Attendance	
Jacques Gounon	9	9	100%
Corinne Bach	9	9	100%
Bertrand Badré	9	8	89%
Elisabetta De Bernardi di Valserra	9	9	100%
Giovanni Castellucci	6	4	67%
Giancarlo Guenzi	1	1	100%
Patricia Hewitt	9	8	89%
Peter Levene	9	9	100%
Colette Lewiner	9	9	100%
Colette Neuville	9	9	100%
Perrette Rey	9	9	100%
Stéphane Sauvage	9	9	100%
Jean-Pierre Trotignon	9	9	100%
Philippe Vanderbec	9	9	100%
Philippe Vasseur	9	9	100%
Tim Yeo	9	9	100%

The significant number of meetings and high attendance rate of Directors throughout the year should be noted. This frequency of meetings and attendance rate are the first objective factor which once again this year offer assurance that the Board is in a position to fulfil its role and take appropriate decisions.

Recurring topics

In 2019, in addition to financial and legal authorisations, the Board concentrated mainly on issues of strategy, the accounts and corporate and business governance.

At each of its meetings, the Board discussed business development and performance in terms of the Group's activities and results. It took note of the company's stock market performance and its market capitalisation and data trends concerning attempted intrusion within the perimeter of the Concession.

During the 2019 financial year, the Board finalised the financial statements as at 31 December 2018 and prepared the half-year financial statements for the six-months ended 30 June 2019. In these presentations as well as in the monthly report to the Board, the Board was kept informed of the financial situation and the cash situation. The presentation of the financial department also covered risks and material off-balance sheet commitments and highlighted the key points arising from the statutory audit and the accounting options adopted.

The Board also considered the five-year plan and the budget for 2020 for all activities. The Board also carried out a review of the Group risk mapping, as well as the activity of the internal audit function.

The Board also made preparations for the 2019 Combined General Meeting and, in particular, drew up the draft resolutions. The Board decided to renew the share buyback programme. It conducted the annual review of the regulated agreements.

Regarding corporate governance, during 2019 the Board approved the corporate governance report. The Board undertook a formal assessment of its functioning and that of its Committees with the assistance of an external firm specialising in governance, which held meetings with each of the Directors based on a formal meeting guide. The Board determined the variable remuneration for 2018 of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer, on the recommendation of the Remuneration Committee, and set the targets that would determine the variable portion of the remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer for 2019. When assessing the performance of the executive corporate officers, the external Board members meet without the internal Board members being present.

The Board of Directors deliberated on the company's policy on professional and salary equality between women and men, on the basis of indicators relating, in particular, to the pay gap between women and men and the plan for professional equality between women and men, and on a more balanced representation of women and men in management bodies.

The Senior Independent Director assisted in establishing the practice of holding meetings of members of the Board without executive officers or internal executives present (executive sessions). In addition, Getlink SE opted for an electronic management solution for Board documents and the dematerialisation of meetings, which provides directors with access to discussion tools, collaborative documents and the possibility to share their comments, thereby optimising collaboration between directors in the absence of internal directors.

The Board is kept informed throughout the year of major issues, with a particular focus in 2019 on Brexit.

During the annual seminar, Board members undertook a detailed strategic analysis of the Group's competitive environment. It heard and debated presentations on the Group's financial, strategic, employee and regulatory position and the results of actions taken.

Specific topics

During 2019, the Board monitored the progress of the ElecLink interconnector project.

The Board of Directors considered the recommendation of the Audit Committee on the re-appointment of the statutory auditors KPMG and Mazars for a new term of six financial years expiring at the end of the General Meeting called in 2025 to approve the financial statements for the 2024 financial year, in accordance with the regulations and in particular with the European regulation of 16 April 2014 relating to the specific requirements applicable to statutory audits.

The Board gave its opinion on the work of the Audit Committee on the financial authorisations that were presented to shareholder vote at the General Meeting of 18 April 2019.

In 2019, the Board of Directors, on the recommendation of the Nominations Committee and as part of the work on the Board and general management succession and with regard to its structural characteristics of the Board, agreed a thorough appointment process for members of the Board of Directors and general management. In order to harmonise the rotation of members of the Board, it also drew up a plan to stagger the terms of office of Directors. The Board of Directors was kept informed of the work of the Nominations Committee at each meeting and each step of the process was presented to the Board of Directors. The Board of Directors also discussed, in the specific geopolitical context of Brexit, the possibility of proposing an amendment to the company's Articles of Association at the General Meeting to allow the appointment of a director representing British members of staff.

With regard to the prevention of risks, the Board of Directors heard reports on the work of the Audit Committee and of the Safety and Security Committee on the review of risks and their presentation in the Universal Registration Document. The Board considered the ranking of the most significant specific risks by net materiality.

The Board met twice **between the beginning of this year and 26 February 2020**, the date on which the Board approved the financial statements for the year ended 31 December 2019. The average attendance rate was 97%.

The Board of Directors decided to implement the separation of the Chairman and Chief Executive Officer roles. At the end of an well-articulated and robust process of preparation for the evolution of governance led by the Nominations Committee, the Board of Directors confirmed its choice of a governance model ensuring the separation of executive duties and the functions of Chairman, which is in line with best corporate governance practices.

These meetings also dealt with the review of strategic, financial, operational and non-financial risks and their ranking, the work on the consolidated and parent company financial statements at 31 December 2019, the management report, the non-financial performance statement and the governance report drawn up pursuant to the provisions of article L. 225 37 of the French Commercial Code, the Board's reports to the General Meeting and with the Board assessment, as well as determining the variable annual remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer for the 2019 financial year, the remuneration policy and the 2020 remuneration criteria for executive officers.

The Board approved the Gender Equality Charter and the action plan for the balanced representation of men and women within the governing bodies. The Board agreed the agenda for the General Meeting on 30 April 2020. The Board considered the information presented to shareholders in this Universal Registration Document to enable shareholders to evaluate the management of the company and its Board and strategy.

The Board of Directors agreed a revision of the Internal Rules.

c) Committees of the Board of Directors

The Board delegates to the special committees the task of preparing and submitting information on specific topics for the Board's approval. Six committees investigate matters that fall within their field of responsibility, and submit their opinions and recommendations to the Board namely: the Audit Committee; the Nominations Committee; the Remuneration Committee; the Safety and Security Committee; the Corporate Committee and the Economic Regulations Monitoring Committee, all of whose terms of reference are governed by the Internal Rules of the Board and its committees. Each committee has a chairperson.

Composition of the Board Committees (at 26 February 2020)

Committee	Audit	Nominations	Remuneration	Corporate	Safety and Security	Economic regulations
Jacques Gounon				□	□	□
Giancarlo Guenzi						
Elisabetta De Bernardi di Valserra						
Corinne Bach	□					□
Bertrand Badré	□					
Patricia Hewitt				□	□	●
Peter Levene		□		□		
Colette Lewiner	●			□		
Colette Neuville	□	□	●	□		
Perrette Rey	□	●	□	□		
Stéphane Sauvage			□		□	
Jean-Pierre Trotignon		□		□	●	□
Philippe Vanderbec			□		□	
Philippe Vasseur		□	□	□		
Tim Yeo	□			●		□

□ Committee member ● Committee chairperson

Audit Committee

Composition and duties set out in the Internal Rules

The Audit Committee is composed of at least three members chosen from among the Directors other than the Chairman of the Board, including at least two independent Directors in accordance with recommendation 15.1 of the Afep/Medef Code. The Board appoints one of the members as chairman of the Audit Committee. At least one member of the Audit Committee must have "specific expertise in finance or accounting matters" and be "independent" and the other members of the Audit Committee must be competent in financial and accounting matters even if they are not experts in the matter.

The Audit Committee meets at least four times a year when meetings are called by its Chair.

The duties of the Audit Committee are to:

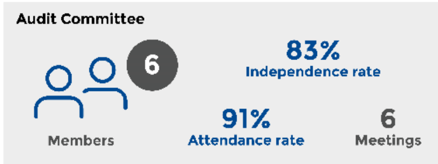
- Monitor the process of preparation of the financial and accounting information; before presentation to the Board, the Audit Committee examines the consolidated and parent company financial statements, together with budgets and forecasts; it reviews the accounting and financial information, particularly the financial statements, checking that important events or complex transactions have been properly accounted for.
- The Audit Committee is informed of the architecture of all systems for establishing accounting and financial information; when financial information is taken from an accounting process, it must be coherent with the accounting information that is produced; if it is not taken from an accounting process, the Audit Committee must make sure that the information comes from a process that is sufficiently structured and organised to be able to judge the quality and reliability of this information (non-standardised performance measures, restructuring plan and so on).
- Ensure the statutory audit of the financial statements by the statutory auditors. The Audit Committee holds discussions with the statutory auditors and examines their conclusions, to learn the main areas of risk or uncertainty concerning the annual or consolidated financial statements. The Audit Committee examines the main factors having an impact on the audit approach (scope of consolidation, acquisition and disposal transactions, accounting options, new standards applied, large transactions and so on) and significant risks relating to the preparation and processing of the financial and accounting information identified by the statutory auditors.
- Monitor the effectiveness of internal control and risk management systems: the Audit Committee checks the existence of internal control and risk management systems, and that they are made use of, and makes sure that the weaknesses identified are dealt with by corrective action. When monitoring the efficiency of the internal control and risk management systems and, where appropriate, internal audit, with respect to the procedures relating to the preparation and processing of accounting and financial information, the Committee meets with the internal audit and risk control

managers and issues an opinion on their departments. It is informed of the internal audit program and receives the internal audit reports or a periodic summary of these reports.

- The Committee examines material risks and off-balance sheet commitments, assesses the importance of failures or weaknesses communicated to it and informs the Board, where appropriate.
- Ensure that the independence of the statutory auditors is monitored: the Committee is in charge of steering the selection and re-appointment of the statutory auditors, where appropriate using a call-for-tenders procedure, issuing an opinion on the amount of fees requested by them, and issuing a recommendation on the statutory auditors proposed for appointment by the General Meeting.

Composition, duties and proceedings in 2019

At 26 February 2020, the Audit Committee is composed of Colette Lewiner (Chairwoman), Colette Neuville, Perrette Rey, Corinne Bach, Bertrand Badré and Tim Yeo. Five out of six members of the Committee are independent Board Directors, i.e. an independence rate of 83%. Getlink SE complies with the recommendation of the Afep/Medef Code relating to the two-thirds participation of independent Board Directors.



All six members of the Committee have specific financial and accounting skills with regard to their academic background, experience and specific knowledge relevant to the Committee's work:

- the Chair of the Committee, Colette Lewiner (member of EDF, Colas SA and Ingénico's audit committees, former chairwoman of the board of directors and chief executive of SGN, former chairwoman of the board of directors of TDF, graduate of the École Normale Supérieure, and holder of a degree and a doctorate in physics);
- Perrette Rey (former member of the French state shareholding commission, in charge of finance at Banques Populaires, chairwoman of the French observatory for businesses in difficulty set up by the chamber of commerce and industry, chairwoman of the Paris Commercial Court and graduate of IEP, IAE, DES Economic Management and doctor of business law);
- Colette Neuville (experience acquired as chairwoman of the ADAM, graduate of IEP, DES in political economics, DES in social economics and law degree);
- Bertrand Badré (former finance director general at the World Bank and CFO at Crédit Agricole and Société Générale, as well as a former member of President Jacques Chirac's office) is currently the CEO and founder of the investment fund, Blue like an Orange Sustainable Capital, founded in 2017;
- Corinne Bach (director of development and operations at Studiocanal and from 2015 to 2018 vice-chairwoman of Vivendi Village and chairwoman and CEO of CanalOlympia, a network of cinemas and theatres in sub-Saharan Africa) further strengthened the expertise available to the Committee; and
- Tim Yeo's treasury experience at Bankers Trust and the various leadership positions he has held at AFC Energy, Univent plc, TMO Renewables and Eco City Vehicles plc.

Their training and professional experience covers a broad and comprehensive range of fields, as confirmed by their professional careers presented in section 4.2.1 of this Universal Registration Document.

The Audit Committee met six times in 2019 (and a preparatory meeting) with an average attendance rate of 91%.

Audit Committee meeting attendance in 2019

Committee meetings	**Number of meetings**	**Attendance**	
Colette Lewiner	6	6	100%
Colette Neuville	6	4	67%
Perrette Rey	6	6	100%
Corinne Bach	6	6	100%
Bertrand Badré	6	5	83%
Tim Yeo	3	3	100%

The uncharacteristically low attendance rate of Colette Neuville at Audit Committee meetings in 2019 can be explained by her absence due to illness on a day when the Audit Committee held two separate meetings: a joint meeting with the Safety Committee on risks and a separate meeting on the recurring work of the Audit Committee.

During the accounts closing preparation process, the Audit Committee meets with the statutory auditors and the presentations of the accounts by the Finance Department. More detailed presentations are given by other managers or external consultants on certain subjects, including internal control and risk management.

During 2019, the Audit Committee examined the parent company and consolidated financial statements for the year ended 31 December 2018 and the proposed interim financial statements before they were presented to the Board, and expressed its opinion on these proposed financial statements to the Board. As part of this work, the Audit Committee examined the accounting treatment of material transactions during the period, accounting methods, the accounting treatment of refinancing transactions, the scope of consolidation and the main items of financial reporting relating to the financial statements. It also examined material off-balance sheet commitments. It met with the internal audit director and considered the internal audit plan for 2020. The internal audit director also reported to the Audit Committee on the activities of the Internal Audit

Department during the first half of 2019 and the second half of 2019. The Committee considered the implications of IFRS 9, IFRS 15 and IFRS 16.

The Audit Committee reviewed in 2019 the procedures for identifying, monitoring and managing risks and internal audit, reviewed the risks and analysed the risk map, and examined significant financial and operational risks. It reported to the Board on its work. Since the UK Brexit referendum, the Audit Committee has regularly reviewed the specific risks associated with Brexit, encompassing regulatory, taxation and financial risks as well as the macro-economic risks to which the company's businesses are exposed. This review was repeated and last updated for the last time in January 2020. The Committee reviewed the regulated agreements.

The Audit Committee also updated the list of prohibited assignments for auditors of public interest entities (PIE) in the Audit Committee's internal charter.

The Audit Committee worked on the draft procedure for evaluating agreements relating to current operations and concluded under normal conditions. The Audit Committee considered the agreements likely to be admitted as free agreements within the Group. The Audit Committee approved the draft internal charter on regulated agreements and the procedure for evaluating voluntary agreements.

The Committee considered the question of the renewal of the term of office of the statutory auditors. At an initial meeting, the Audit Committee decided on the method, and then the Committee met with the statutory auditors in executive session, without management present, to review the services provided by the current statutory auditors, in particular with regard to the quality of work, the regular rotation of the two firms within the Group's entities and the rotation of individuals, the robustness of the quality control systems and the quality of work (robustness of the accounts, quality interviews and controls) and the independence of the statutory auditors. The audit committee decided to recommend the renewal of KPMG's and Mazars' appointments to the Board of Directors for a new six-year term of office expiring at the end of the General Meeting in 2025 called to approve the financial statements for the financial year 2024, in accordance with regulations and in particular with the European regulation of 16 April 2014 on specific requirements applicable to statutory audits.

The Audit Committee met twice **between the beginning of this year and 26 February 2020**. The attendance rate of its members was 100%. These meetings focused on the proposed consolidated and parent company financial statements at 31 December 2019, the accounting treatment of material transactions during the period and accounting methods. The Audit Committee's meeting to examine the accounts, in advance of the Board doing so, took place on 12 February 2020, i.e. more than seven days before the Board meeting.

Remuneration Committee

Composition and duties set out in the Internal Rules

The Remuneration Committee is composed of at least three members chosen from among the Directors other than the Chairman and Chief Executive Officer, including at least two independent Directors.

The Chairman and Chief Executive Officer is not a member of this Committee. When his attendance is needed, he may join in the work of the Committee, in accordance with recommendation 17.2 of the Afep/Medef Code, on specific matters, such as appointments or presentation of the remuneration policy for key senior managers who are not corporate officers.

Members of the Remuneration Committee must not:

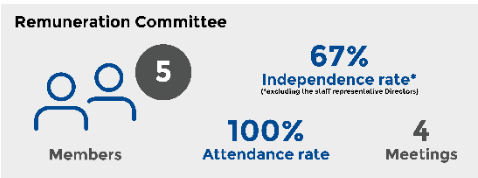
- have any personal financial interests in the decisions of the Remuneration Committee, other than those of a Director and a member of the Remuneration Committee; and
- have any reciprocal relationship with an executive Director of Getlink SE that could suggest that they reached an agreement to increase their respective remuneration.

The Remuneration Committee is able to request external technical research.

Composition, duties and proceedings in 2019

The Remuneration Committee is composed of Colette Neuville (Chairwoman), Philippe Vasseur, Perrette Rey, Stéphane Sauvage and Philippe Vanderbec. Excluding the staff representative directors, two-thirds of the members of the Committee are independent Board Directors.

The Remuneration Committee met four times in 2019. The average attendance rate of members per meeting was 100%.



Remuneration Committee meeting attendance in 2019

Committee meetings	Number of meetings	Attendance	
Colette Neuville	4	4	100%
Perrette Rey	4	4	100%
Philippe Vasseur	4	4	100%
Philippe Vanderbec	2	2	100%
Stéphane Sauvage	2	2	100%

During these meetings, the Remuneration Committee prepared the remuneration of corporate officers before approval by the Board. It reviewed the financial and operational objective criteria for determining the variable remuneration of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer as proposed to the Board. The Remuneration Committee was assisted by an external consultant and the Committee steered the benchmarking studies performed by that advisor. The Committee met the Group's Human Resources Director who presented the Group's salary policy and the executive officer remuneration policy.

The Committee worked on arrangements to link the remuneration of employees and of management to the business's performance, adopted by the General Meeting of 18 April 2019, including a collective free share award plan for all Group employees and the grant to senior managers and executive officers of preference shares convertible into ordinary shares subject to performance conditions being met over three years.

The Committee examined the Board's proposed report to the General Meeting on the remuneration of executive corporate officers.

The Remuneration Committee met three times **between the start of this year and 26 February 2020**. The attendance rate of its members was 100%. These meetings focused on the report on the principles and rules used to determine the remuneration and benefits of any kind granted to the executive officers, the determination of the amount of variable remuneration for the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer for 2019, and set the remuneration policy and the criteria for determining the variable remuneration for 2020 for the executive officers. The Committee worked on a 2020 plan to align the interests of employees and executives with the performance of the business, including the grant of free ordinary shares to all employees of Getlink SE and its subsidiaries, (with the exception of executive officers) and the grant to senior management and executives of performance shares. The Committee considered the organisation's policy on professional and pay gender equality and considered the actions envisaged in the Group, as an extension of the Charter project relating to professional equality.

The Remuneration Committee sought external technical research.

Nominations Committee

Composition and duties set out in the Internal Rules

The Nominations Committee is composed of at least three members chosen from among the Directors other than the Board Chairman, including at least two independent Directors.

The Chairman and Chief Executive Officer is not a member of this Committee. When his attendance is needed, he may join in the work of the Committee, in accordance with recommendation 16.3 of the Afep/Medef Code, on specific matters, such as appointments of key senior managers who are not corporate officers.

Members of the Nominations Committee must not:

- have any personal financial interests in the decisions of the Nominations Committee, other than those of a Director and a member of the Nominations Committee; and
- have any reciprocal relationship with an executive Director of Getlink SE that could suggest that they reached an agreement to increase their respective remuneration.

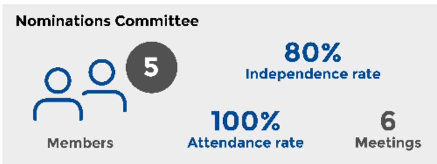
The Committee makes recommendations to the Board with regard to the selection of new Directors, assesses the size and composition of the Board and identifies the persons with the appropriate qualities to join the Board, in accordance with the admission criteria for Directors prescribed by the Board, a summary of which appears in section 4.2.1. The Nominations Committee oversees the assessment process for candidates to the position of Director.

The Nominations Committee may also propose the appointment or removal of the Chairman and Chief Executive Officer, the Deputy Chief Executive Officers and the Chief Operating Officers, and the appointment of their successors.

The Nominations Committee is able to commission external technical research.

Composition, duties and proceedings in 2019

The Nominations Committee is composed of Perrette Rey, Colette Neuville, Peter Levene, Jean-Pierre Trotignon and Philippe Vasseur. Perrette Rey, an independent Director, was appointed Chairwoman.



The Nominations Committee met six times in 2019. The average attendance rate of members per meeting was 100%. Its work included considering succession plan for the Chief Executive Officer, the training of the staff representative directors, the composition of the Board Committees and proposals for candidates for the office of Director.

Nominations Committee meeting attendance in 2019

Committee meetings	Number of meetings	Attendance	
Perrette Rey	6	6	100%
Colette Neuville	6	6	100%
Jean-Pierre Trotignon	6	6	100%
Peter Levene	6	6	100%
Philippe Vasseur	6	6	100%

In 2019, the work of the Nominations Committee focused on changes in the composition of the Board of Directors and its Committees, the proposed appointment of new directors and the proposed reappointment of directors whose terms are due to expire. The Nominations Committee steered the selection process for new Directors and the Chief Executive Officer as indicated in section 4.1.1 of this Universal Registration Document. After a governance analysis phase conducted with the assistance of an external firm, the Committee evaluated the various options that it then presented to the Board of Directors, which approved the process. In order to access a greater diversity of external candidates, the Nominations Committee worked with a recruitment firm. The Committee kept the Board of Directors regularly informed of its work in this area.

The Nominations Committee held interviews and selected the final two candidates for the position of Chief Executive Officer and prepared for the Board of Directors to meet them in plenary session. The Nominations Committee coordinated with the Remuneration Committee to ensure that the proposed remuneration was in line with the organisation's and market practices.

The Committee reviewed the independence of the members of the Board of Directors and kept the Board of Directors informed at each Board meeting. The Committee prepared the decisions presented for discussion and vote by the Board of Directors.

The Nominations Committee did not meet **between the start of the year and 26 February 2020.**

Safety and Security Committee

Composition and duties set out in the Internal Rules

The Safety and Security Committee reviews all matters concerning safety and security within the company or the Group and reports to the Board.

The remit of the Safety and Security Committee is to:

- regularly examine all matters concerning the safety or security of (i) the operation of the transport System, including the services of the national railways during their crossing of the Tunnel, and, separately, (ii) the activities of the railway subsidiaries. This review includes issues that may have a significant impact on the environmental performance of the company and the Group;
- review reports on any incidents or accidents and ensure that appropriate action has been taken, or appropriate recommendations have been implemented by the national railways;
- regularly review response procedures and the implementation of recommendations made to prevent the recurrence of similar events;
- receive reports of any incidents or accidents occurring in other transportation systems or in other industries that are similar to the company's or the Group's system and to recommend appropriate action;
- receive reports on the safety consequences of any major changes in the transport System procedures or design, and to provide advice, if necessary, in the context of submissions to the Safety Authority of the IGC;
- more generally, take, within the scope of its powers, any initiative to be presented to the Board aimed at improving the current levels of performance of the company, in particular by updating the risk prevention and management strategies;
- ensure, with regard to occupational health and safety, that any person affected by the safety implications of an operating procedure or a change in such a procedure must be able to make his or her opinion known; and
- to report regularly to the Board.

Composition

The Safety and Security Committee is composed of a maximum of five directors appointed by the Board, including the Chairman and Chief Executive Officer of the company. Other officers and executives may be invited to participate in the Safety and Security Committee depending on the agenda.

Meetings

The Safety and Security Committee meets at the invitation of its Chairman to discuss matters relating to the Tunnel at least once a quarter and separately in a more restricted format to discuss rail freight matters once every six months.

Composition, duties and proceedings in 2019

The Safety and Security Committee is composed of Jean-Pierre Trotignon (Chairman), Jacques Gounon, Patricia Hewitt as well as the two staff representative directors, Stéphane Sauvage and Philippe Vanderbec. This Committee is tasked with monitoring safety and security issues within each sector of activity of the Group. The main operational managers attend each of the Committee meetings relating to their area of the business:

- for Eurotunnel: the Eurotunnel chief operating officer, the safety director, the security director, the public affairs director and the internal audit director. When ElecLink is discussed they are joined by the CEO of ElecLink and his colleagues in charge of the safety of the project; and
- for Europorte: the chairman of the subsidiary, the operations director and the safety manager.

The Deputy Chief Executive Officer and other managers attend the Committee meetings depending on what is on the agenda.

In 2019, the Committee met five times on matters relating to the Concession, with an attendance rate of 92%.

The Committee monitors individual and collective safety and performance indicators for the corresponding action plans. The Committee also monitors workplace accident indicators for Fixed Link employees and sub-contractors present on the site; it supports measures launched to improve results in this area and, in particular, those aimed at developing a safety culture within the organisation.

Just as in previous years, rail safety including changes in the Truck Shuttle superstructures were regularly monitored. New subjects have arisen such as the transport of batteries in trucks. Questions of security (prevention of clandestine attempts to cross the Channel and illegal intrusions onto the Coquelles site, coordination with government authorities to strengthen controls and above all the business' preparations for the possible impact of Brexit) remain an important concern for the Committee. Particular attention was paid to cyber security.

Finally, the Committee dedicated a significant amount of its activity discussing the safety of the ElecLink project and its interface with the Concession, both during the works phase and during the future operation of the cable; the topic has been the subject of a number of independent expert reports.

The Committee also met twice to consider Europorte matters: it monitors the safety indicators and the employee training and awareness actions implemented. The Committee also analyses the key incidents affecting operations and considers remedies.

Lastly, the committee held a joint risk review meeting with the Audit Committee at the end of 2019.

The Committee held two meetings **between the beginning of the year and 26 February 2020**, one on Europorte rail issues and the other on the Concession and ElecLink.

Corporate Committee

This Committee is the result of the merger of the Ethics and Governance Committee and the Strategy and Sustainable Development Committee.

Composition and duties set out in the Internal Rules

The Corporate Committee considers all questions concerning governance and the strategic and environmental orientation of the company or the Group and reports on these to the Board.

In its strategic function, the Committee intervenes in the following fields:

- Strategic objectives of the company and the Group;
- Significant acquisition or disposal transactions and strategic partnership agreements;
- Significant internal restructuring operations;
- Operations outside the approved strategy of the company or the Group;
- Significant financing operations or those likely to substantially change the financial structure of the company or the Group.

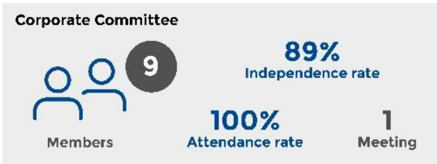
In its environmental role, this Committee, which was founded as part of the Group's longstanding policy on health, safety and the environment, is responsible for regularly considering the performance of Getlink SE and the Group in environmental matters and the strategic orientation designed to promote good environmental management, preserve natural resources and limit the impact of the company's and the Group's activities on the environment.

In its ethics and governance role, the Committee notably has the following duties:

- Develop and recommend to the Board corporate governance principles applicable to the company and monitor their subsequent implementation;
- Ensure ethical conduct and discuss any related matters that the Board (or its Chairman) submits for examination.

Composition, duties and proceedings in 2019

The Corporate Committee is composed of Tim Yeo (Chairman), Patricia Hewitt, Colette Lewiner, Colette Neuville, Perrette Rey, Peter Levene, Jean-Pierre Trotignon, Philippe Vasseur and Jacques Gounon. The Committee brings together the members of the former Strategy Committee and the Chairs of the different Board Committees to enable each of the Chairmen to take account of information received and Committee discussions in organising the work of their own committees.



The Committee met once in 2019, with an attendance rate of 100%. The Committee considered investor comments and observations received during the governance roadshows and the resulting items to be included in the work of the different Board Committees. The Committee analysed the approach to CSR policy, the gender equality action plan, the choice of self-assessment method for the Board of Directors in 2019, the deployment and operation of the anti-corruption arrangements, the Universal Registration Document, the London listing, the Internal Charter relating to the qualification of a convention and the evaluation of free conventions.

The Committee met once **between the start of this year and 26 February 2020** in order to consider the organisation's work on the CSR policy, the gender equality action plan, the presentation of the business model and the materiality matrix, the project relating to the Internal Rules of the Board of Directors, the division of powers between the non-executive Chairman and the Chief Executive Officer and the draft agenda for the 2020 General Meeting.

Economic Regulations Monitoring Committee

The rail transport and electricity distribution sectors have undergone a number of major reorganisations initiated directly by the public authorities and a range of economic regulatory measures have been implemented to control these activities:

- The organisation of the electricity transport sector has been substantially modified to guarantee all market players the same access conditions to essential infrastructures, necessitating the independence of transport network managers.
- The number of regulatory authorities has increased: the French Rail Regulator (ARAF), the French Energy Regulatory Commission (CRE), the French financial markets regulator (AMF), competition authorities (DGCCRF). ARAF and the UK Office of Rail & Road (ORR) signed an agreement providing for cooperation based on reciprocity and transparency, in order to define guidelines for coordinated and efficient cooperation between the two authorities in the economic regulation of the Tunnel.

In the face of these developments and without prejudice to the Group's administrative and management bodies, the Board of Directors decided to form a committee tasked with monitoring these economic regulations.

Composition and duties set out in the Internal Rules

The Committee is responsible for monitoring:

- the efficiency of internal control systems monitoring the proper application of segregation of duty principles and other measures set out in the economic regulations;
- relations with the supervisory authorities and regulators;
- approval/certification/licence processes and related retention processes;
- economic regulation monitoring processes implemented in the Group.

The duties of the Committee do not involve the day-to-day monitoring of activities, as Committee members necessarily have only a limited amount of time and resources. The Committee's monitoring role requires members to take a step back using summary information, to gain an adequate understanding of the procedures implemented and the main results of controls performed. It reports regularly to the Board of Directors on the exercise of its duties and informs it of any difficulties encountered.

Composition, duties and proceedings in 2019

The Committee has a maximum of five members. Meetings are convened by the Chairman/Chairwoman. The Board of Directors has appointed Patricia Hewitt (Chairwoman), Corinne Bach, Jean-Pierre Trotignon, Tim Yeo and Jacques Gounon. The Committee did not meet in 2019.

4.2.6 SELF-ASSESSMENT OF THE BOARD OF DIRECTORS

For the 2018 financial year, the Board of Directors' self-assessment was entrusted to an external firm in order to gain perspective and depth of analysis. To ensure comparability with previous years, the Board of Directors decided to return to the formalised internal self-assessment methodology used in previous years.

For the 2019 financial year, the Board of Directors decided to return to the formal evaluation, overseen by the Senior Independent Director. The assessment was based on a detailed anonymous questionnaire used in previous years. It addressed the roles and skills of the Board, its functioning as a whole and the individual areas of its activity and that of its committees. The use of a questionnaire makes it possible to make the assessment process objective and to give the appropriate weight to the assessments made by the directors.

The questionnaire consists of 74 questions, divided into six topics:

- composition of the Board of Directors and term of office;
- Board meetings (organisation of meetings, access to information for directors, content and quality of discussions, relations with committees, training of directors and minutes);
- internal regulations;
- directors' remuneration;
- quality of the assessment; and
- role and performance of the specialist committees.

All the members of the Board of Directors (except the Chairman and Chief Executive Officer and Giovanni Castellucci who had resigned as a director), i.e. 13 directors, replied. They were asked to rate their assessments from 1 to 5 in descending order of satisfaction, with 1 corresponding to "completely satisfied" and 5 to "not at all satisfied".

The Senior Independent Director presented the detailed findings to the Board. It was the subject of a specific agenda item at its meeting on 30 January 2020.

The overall average of responses was 1.52 compared to 1.41 in 2017 (1.33 in 2016 and 1.42 in 2015). The Directors' responses to the questionnaire presented to them show that once again this year they have a very positive assessment (scores 1 and 2) on the vast majority (91%) of the topics covered. With an average of 1.69, the effective contribution of each director to the work of the Board of Directors (competence and involvement) was judged very satisfactory. The Board of Directors debated the functioning of the Board through a collective sharing of objective observations and discussed possible pragmatic areas for improvement, as well as their translation into action. Board members appreciated the implementation of the points for improvement highlighted by the previous year's assessment, especially concerning the coordination of the work of the committees with that of the Board of Directors.

4.2.7 CONCESSION COORDINATION COMMITTEE

The Concession Coordination Committee performs the functions of the common body specified in article 18 of the Concession Agreement. As set forth in the Concession Agreement, the Concession Coordination Committee is responsible for:

- coordinating the operation and maintenance of the Fixed Link; and
- representing the Concessionaires at the IGC with respect to all matters concerning the operation of the Fixed Link.

As at 26 February 2020, the members of the Concession Coordination Committee are:

- Jacques Gounon;
- Michel Boudoussier; and
- François Gauthey.

4.2.8 PRINCIPLES AND RULES RELATING TO THE DETERMINATION OF REMUNERATION AND ALL BENEFITS OF ANY KIND GRANTED TO CORPORATE OFFICERS

In accordance with article L. 225-37-3 of the French Commercial Code, the principles and rules relating to the determination of remuneration and all benefits of any kind, to which corporate officers are entitled, are determined by the Board on the recommendation of the Remuneration Committee in accordance with the Board's Internal Rules which are set out in chapter 5 of this Universal Registration Document.

4.3 STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS

This is a free translation into English of the statutory auditors' report on regulated agreements issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

General Meeting held to approve the financial statements

To the Shareholders,

In our capacity as your company's statutory auditors, we hereby report to you on regulated agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements of which we have been informed or of which we became aware in the course of our engagement. We are not required to determine whether they are useful or appropriate or to ascertain whether any other agreements exist. It is your responsibility, under the terms of article R. 225-31 of the French Commercial Code, (Code de commerce), to evaluate the benefits resulting from these agreements prior to their approval.

In addition, we are required, if applicable, in accordance with article R. 225-31 of the French Commercial Code, to inform you of agreements which were approved during previous years and continued to apply during the financial year.

We performed the procedures we considered necessary in accordance with French professional guidance issued by the "Compagnie Nationale des Commissaires aux Comptes" (National Association of Statutory Auditors), relating to this engagement.

Agreements subject to the approval of the shareholders' meeting

Agreements authorised and entered into during the last year

We inform you that we have not been advised of any agreements authorised and entered into during the year ended 31 December 2019 that would require shareholders' meeting approval, under the terms of article L. 225-38 of the French Commercial Code.

Agreements already approved by the shareholders' meeting

We inform you that we have not been advised of any agreements which were already approved by the shareholders' meetings in previous years, and which were applicable during the year.

Statutory auditors, Paris La Défense, 26 February 2020

KPMG Audit
Department of KPMG S.A.

French original signed by:

Philippe Cherqui
Partner

Mazars

Francisco Sanchez
Partner

4.4 CORPORATE GOVERNANCE CODE

The Afep/Medef Code is the code to which Getlink SE has regard to when drafting the report required by article L. 225-37 of the French Commercial Code, pursuant to the French law of 3 July 2008 implementing EU Directive 2006/46/EC of 14 June 2006. In accordance with recommendation 27.1 of the Afep/Medef Code, the recommendations of the Code that have not been implemented by the company and the reasons for this are set out in the report.

The Afep/Medef Code requires a precise statement on the application of its recommendations and, where applicable, an explanation of the reasons why any recommendations have not been implemented by the company. Currently, Getlink SE does not apply the following recommendations:

Section of Afep/Medef Code	Afep/Medef Code recommendation	How applied by Getlink SE
8.5.6 Independent Directors	The criteria that the committee and the board should consider before declaring a director as independent are as follows: […] "not be a director of the company for more than 12 years. The loss of independence arrives at 12 years."	Colette Neuville joined the Board of Directors as an independent director. In 2019, she has served on the Board for 12 years. On 20 February 2019, the Board considered that the objectivity, independence of mind, freedom of expression, involvement and critical spirit always shown by Colette Neuville and that enable her to challenge general management in the definition of the company's strategy and the conduct of business are all qualities that justify her classification as independent for the rest of her term of office. Given her in-depth knowledge of the Group, which allows her to understand the challenges accompanying the company's development, the Board wished Colette Neuville to continue to act as Senior Independent Director. Colette Neuville's term of office expires at the end of the General Meeting on 30 April 2020 and she will not be proposed for re-appointment.

The Afep/Medef Code is available at www.getlinkgroup.com.

4.5 ATTENDANCE BY SHAREHOLDERS AT THE GENERAL MEETING AND CURRENT DELEGATIONS

The arrangements for attendance are described in articles 11, 27 and 29 of Getlink SE's Articles of Association, as summarised in chapter 8 of this Universal Registration Document.

General or special meetings of shareholders are called and conducted in accordance with the conditions set by law. General Meetings are called by the Board. They are held at the registered office or any other place stated in the notice of meeting.

Any shareholder can take part in meetings, regardless of the number of shares held, in person, by proxy, or by correspondence on providing proof of identity and of the registration of the shares in accordance with applicable laws and regulations.

The current delegations granted by the shareholders in general meeting with regard to share capital increases and the use of those delegations during the financial year are set out in section 7.1.4 of this Universal Registration Document.

BOARD AND SENIOR MANAGEMENT REMUNERATION

The remuneration policy for the executive officers is simple, measured, consistent over time and with the Group's overall remuneration policy.

A SIX-STEP ONGOING PROCESS

Step 1 Dec 2019 – Jan 2020	Step 2 January – February	Step 3 February	Step 4 March – April	Step 5 April	Step 6 Sept – Dec 2020
Mercer comparative study	Recommendations of the Remuneration Committee	Decision of the Board of Directors	URD detailed presentation and website	Say on Pay vote	Permanent dialogue and governance roadshow
External advisor	5 members	Collective process	Transparent process	Shareholders vote	Shareholders survey

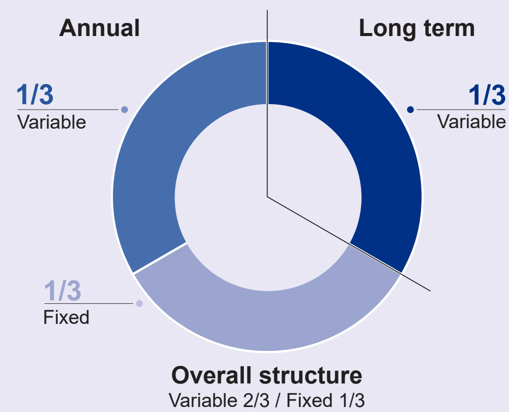
A CSR PROCESS SINCE 2012

The strategy of the Group is orientated towards responsible growth for all stakeholders: the use of a societal performance criterion is a reflection of the history and values of the Group, which from the start has committed itself to a social responsibility policy that is designed to reconcile economic performance, social justice and protection of the environment.

Composite CSR performance index: stable, relevant and well-balanced, this index is structured around four topics directly linked to the Group's activities: health and safety, the social climate, greenhouse gas emissions and customer satisfaction.

A BALANCED STRUCTURE

Summary of the remuneration structure target for the Chief Executive Officer



Overall structure
Variable 2/3 / Fixed 1/3

5 BOARD AND SENIOR MANAGEMENT REMUNERATION

5.1 REMUNERATION OF THE EXECUTIVE OFFICERS **191**

5.1.1 Remuneration policy (ex-ante vote) 191
5.1.2 Remuneration paid or awarded during or in respect of the 2019 financial year (ex-post vote) 200
5.1.3 Alignment of remuneration 207
5.1.4 Total amount set aside or otherwise recognised by Getlink SE and its subsidiaries to pay for pensions, retirement and other benefits 208

5.2 SUMMARY TABLES OF REMUNERATION PAID OR AWARDED TO EACH EXECUTIVE OFFICER IN RESPECT OF THE 2019 FINANCIAL YEAR **209**

5.2.1 Remuneration owed or awarded in relation to the 2019 financial year to Jacques Gounon, Chairman and Chief Executive Officer 209
5.2.2 Remuneration owed or awarded in relation to the 2019 financial year to François Gauthey, Deputy Chief Executive Officer 213

5.3 SHARE OPTION PLANS/ALLOCATIONS OF PREFERENCE SHARES: PAST ALLOCATIONS TO EXECUTIVE OFFICERS **216**

5.4 SENIOR MANAGEMENT REMUNERATION **217**

5.1 REMUNERATION OF THE EXECUTIVE OFFICERS

5.1.1 REMUNERATION POLICY (EX-ANTE VOTE)

The following constitutes the remuneration policy for the executive officers in accordance with article L. 225-37-2 of the French Commercial Code. This policy sets out the elements that make up the fixed and variable remuneration and explains the decision-making process for the determination, review, and implementation of the policy. It set out the principles and the criteria applicable to the determination, allocation and distribution of the fixed, variable and exceptional elements that make up the total remuneration and benefits of any kind relating to the executive officers of Getlink SE by reason of their appointment. Each year the policy is the subject of a vote during the General Meeting.

The remuneration policy applicable to the Chairman and Chief Executive Officer for 2019 was approved at the General Meeting on 18 April 2019, with a majority of 97.74% of the votes cast and that applicable to the Deputy Chief Executive Officer was approved with a majority of 97.74% of the votes cast.

The remuneration policy for the executive officers (namely the Chairman and Chief Executive Officer, the Chief Executive Officer and the Deputy Chief Executive Officer) as set out below was agreed by the Board of Directors on 26 February 2020, upon the proposal of the Remuneration Committee.

a) Principles

Executive officers in office

Following the recommendation of the Remuneration Committee, the Board wishes the remuneration policy for the executive officers to be simple, to offer continuity over time and to be measured and consistent with the Group's overall remuneration policy, especially that relating to management. The remuneration for the executive officers is linked to medium- and long-term growth, to the intrinsic value of the company and to the share performance.

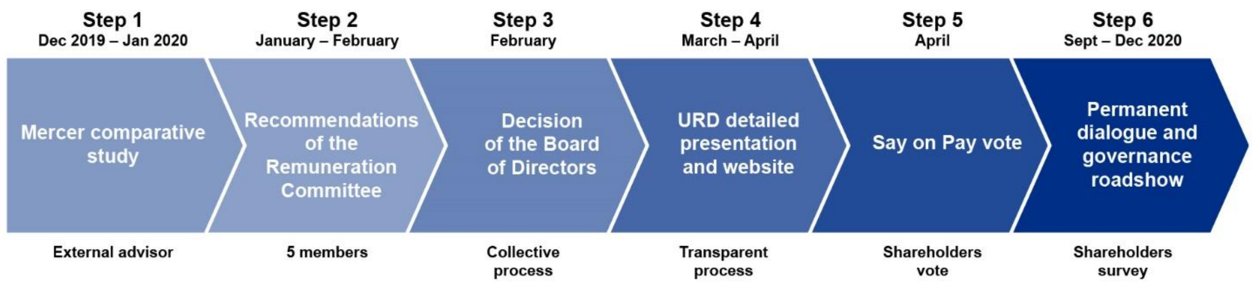
The Board has decided that the remuneration policy should take into account all the business's key challenges (whether strategic, workforce-related, societal and environmental), and not merely financial performance.

Upon the proposal of the Remuneration Committee, the Board ensures that the remuneration of the executive officers is aligned with the long-term interests of the company and of its shareholders, and that the different elements of their remuneration (fixed and variable remuneration, share options or shares and the grant of additional retirement benefits as the case may be) are commensurate and compliant with the principles set out in the Afep/Medef Code. The Board intends that the criteria should not create a risk of encouraging executive officers to favour short-term goals that could influence their variable remuneration and that may have a negative influence on the company in the medium and long term.

In particular, the Board adheres to the following guidelines:

- Completeness: all elements that form part of the remuneration of executive officers are reviewed each year: the fixed and variable elements and long-term plans, benefits in kind, directors' remuneration (attendance fees) and retirement conditions.
- Intelligibility of the rules and balance: the rules are simple, stable, transparent and, as far as is possible, long-lasting. Each element of remuneration is clearly substantiated and is in keeping with the general interests of the business: the variable part intended to reflect the actual contribution of the executive officers to the success of the Group changes according to criteria representing the results of the Group as well as the operational targets set for the year.

  At the start of each financial year, the Board, on the recommendation of the Remuneration Committee which leads the process, defines each of the objectives set for the executive officers for the relevant year and determines what proportion of the overall variable portion each of them may represent.



  After the close of the financial year, the Remuneration Committee evaluates the achievement of the targets and, based on recommendations from the Committee, the Board decides the variable part to be awarded to each executive officer. The variable remuneration awarded for a given financial year is therefore paid in the following year:

  - The part based on the achievement of targets linked to the Group's intrinsic annual performance is based on financial indicators determined according to Group objectives; these are renewed year on year with a concern for sustainability and clarity: since 2010, the financial criteria used for the Chairman and Chief Executive Officer are EBITDA and the net result.
  - The part based on the achievement of operational targets is based on criteria set taking into account strategic objectives contained in the strategic plan and the five-year plan agreed by the Board, which correspond to required short-term actions, which are essential for the business in the medium- to long-term. From the outset, Getlink SE's executive officer remuneration policy has been designed to support the high-level development vision of the Group and that is what prevails when the remuneration criteria are being decided:

    - to ensure the viability of the business in the first phase of the Group's history, when the choice of criteria was linked to the financial restructuring of Eurotunnel or the completion of the public exchange offer;
    - then to operational priorities to support the business's development strategy, such as the development of commercial activities, with the choice of criteria being linked to market share and the yield policy and to innovations in customer service (refurbishment of the Club-Car carriages, digitalisation plan); and
    - all while having regard to the preservation of the infrastructure, with the choice of criteria being those such as the Salamandre plan, the creation of the SAFE stations and the long-term improvement of the security arrangements for the Fixed Link and more generally to protect the business.
  - The strategy of the Group is orientated towards responsible growth, having regard for all stakeholders. The use of a societal performance criterion is a reflection of the history and values of the Group, which from the start has committed itself to a social responsibility policy that is designed to reconcile economic performance, social justice and protection of the environment. Since 2012, CSR has been one of the criteria that determine the Chairman and Chief Executive Officer's variable remuneration (10%). Initially, the criterion was called "Quality of social dialogue in support of performance". The Remuneration Committee formalised matters in 2014 and it started a discussion around the creation of a CSR composite performance index. The Group asked an external firm to create a benchmark relating to the practices of CAC 40 companies and conducted a qualitative inquiry of its internal and external stakeholders. This identified four topics directly linked to Group operations, namely: health and safety; the social climate; greenhouse gas emissions and customer satisfaction. Indicators and targets have been set for each of these topics in order to be able to determine the rate of achievement of each target. This index has been used since 2015.
  - The long-term incentive plans are based on internal and external performance criteria so as to align the long-term financial interests of the shareholders in such a way as to enhance the decisions of senior managers, which are crucial for the future of the business, and which could have an impact only over the long term.
- Measurement: remuneration is determined taking into account the general interests of the business, market practices and the performance of the executive officers. Each year, the Remuneration Committee receives benchmarking information from an independent firm specialising in the remuneration of executive officers, relating to comparable organisations both in terms of revenue and headcount and based on a sample that has been running for several years: Altran Technologies, Bic, Biomérieux, CGG, Edenred, Eramet, Eurofins Scientific, Eutelsat communications, Imerys, Ingenico, Ipsen, JC Decaux, Métropole TV (M6), Neopost, Rémy Cointreau, Seb, Tarkett, TF1, Ubisoft Entertainment, Vallourec and Vicat. Zodiac Aérospace is no longer part of the panel.

  From a succession perspective, the aim is not to stand out from market practice, whether it be in respect of a sectoral benchmark or a benchmark of comparables in terms of revenue and headcount.

  In addition, since 2018, the relative performance of the GET ordinary share is assessed by reference to the Group's sectoral index, the GPR Getlink Index This index is made up of an international sectoral panel including the following companies: Aena SME SA, Atlantia S.p.A., DFDS A/S, Eiffage SA, Électricité de France SA, Engie SA, Ferrovial SA, Firstgroup PLC, Flughafen Zurich AG, Fraport AG, National Grid PLC, Stagecoach Group PLC, Vinci SA and Aéroports de Paris (Abertis Infraestructuras SA removed after merger with Atlantia).
- Internal and external consistency: the Remuneration Committee ensures that the remuneration policy proposed to the Board of Directors is:
  - adapted to each individual's responsibilities;
  - measured and consistent with the remuneration policy for the employees of the Group;
  - in line with comparable groups; in order to consider the consistency of the remuneration of the executive officers, the Committee examines the positioning of their remuneration, in line with market practice, in relation to remuneration paid by peer groups; and
  - linked to the performance of the ordinary shares of Getlink SE, in the interests of optimising the performance of committed capital and to align incentives between executive officers and shareholders.

  Only in very specific circumstances may exceptional remuneration be awarded (for example, by reason of the importance to the company, the implications that are involved and the difficulties that the circumstances present). The payment of such remuneration must be reasoned and the event giving rise to the payment specifically set out.

  In the event of a significant change affecting the calculation of the Group's economic parameters (change in accounting standards, significant asset transaction approved by the Board of Directors etc), the Board of Directors may calculate the parameters *mutatis mutandis*, i.e. excluding extraordinary exogenous elements. In accordance with paragraph III-2 of article L. 225-37-2 of the French Commercial Code amended by Order no. 2019-1234 dated 27 November 2019 relating to the remuneration of executive officers of listed companies, the Board of Directors reserves the right in exceptional circumstances to depart from the application of the policy approved by vote provided that the deviation is temporary, consistent with the corporate interest and necessary to ensure the company's continued existence or viability and provided also that it does not alter the structure, philosophy or criteria voted by the General Meeting.

b) When executive officers take up or leave their posts

In accordance with the Afep/Medef Code, a "golden hello" payment, which is payable on taking up new duties, can be awarded only to a new executive officer coming from a company outside of the Group to offset the loss of advantages that the executive officer may have benefited from in his previous position. The payment must be explained and the amount must be made public when it is set, even in the case of a deferred payment or payment in instalments.

Predefined payment made when the functions of an executive officer come to an end are subject to the procedure for regulated agreements. The departure indemnity must not exceed, where applicable, two years of remuneration (annual fixed and variable).

When a non-competition clause is furthermore stipulated, the Board of Directors has to resolve whether or not to apply the clause at the time of the departure of the executive officer, in particular when the executive officer is leaving the company to avail himself of or after having availed himself of his retirement rights.

In any case, the total amount of the two payments cannot exceed the ceiling of two years of remuneration (annual fixed and variable). The ceiling also covers, where applicable, payments linked to the termination of an employment contract.

c) Rules for holding and retaining long-term remuneration instruments specific to executive officers

Individual grants to executive officers are limited to 15% of each grant, without exceeding 150% of the target short-term remuneration, based on the IFRS valuation (according to the applicable model) at the grant date.

The Board of Directors, pursuant to the recommendations of the Remuneration Committee, and in accordance with the provisions of articles L. 225-185 and L. 225-197-1 of the French Commercial Code, reiterated, at its meeting on 26 February 2020, the restrictive holding and retention rules applicable to executive officers. They are required to hold a number of ordinary shares, upon conversion or exercise of long-term incentive instruments, at least equal to 50% of the total number of ordinary shares definitively acquired for the entire term of their appointment.

Executive officers are not allowed to engage in any leveraged transactions in Getlink securities or transactions of a speculative nature, under the terms of the recommendation of the Afep/Medef Code. In accordance with the recommendation of the Afep/Medef Code, executive officers undertake (i) not to use hedging instruments on any share options and performance shares that may be granted to them during their term of office, and (ii) to refrain from exercising share options that may be granted to them during their term of office during so-called negative window periods.

In the event of the executive officer's departure, the definitive allocation of ordinary shares is made on the basis of (i) the fulfilment of the performance conditions applicable to the plans in question on the dates initially set, and (ii) the executive officer's actual presence within the Group during the period of assessment of the performance conditions. The overall allocation rate (after application of the performance conditions) is applied at best pro rata, in proportion to the number of months of actual presence of the executive officer in the Group during the period of assessment of the performance criteria. This principle applies to executive officers in all cases of forced departure for reasons other than serious misconduct or gross negligence, which give rise to loss of long-term remuneration instruments and barring legal exceptions. No grant is made to the executive officer in the year of departure, in accordance with the Afep/Medef Code.

d) 2020: governance transition year: remuneration policy

On 1 July 2020, the roles of Chairman and Chief Executive Officer will be separated. In order to take this change in governance into account, the Board of Directors has adopted a remuneration policy pro rata:

- for the Chairman and Chief Executive Officer for the period of office from 1 January to 30 June 2020;
- for the Deputy Chief Executive Officer for the period of office in 2020;
- for the non-executive Chairman for the period of office from 1 July to 30 December 2020;
- for the Chief Executive Officer for the period of office from 1 July to 30 December 2020.

e) Structure of the remuneration of executive officers in office in 2020

The remuneration awarded to the executives is structured in a balanced way so as to reward both short- and long-term performance. The remuneration awarded to each of the executive officers varies in amount and criteria, so as to take into account the nature of their office, in terms of experience and responsibilities.

i) Remuneration of the Chairman and Chief Executive Officer for 2020

The remuneration of the Chairman and Chief Executive Officer for the first half of 2020 is comprised of:

- a fixed annual remuneration;
- an annual variable remuneration subject to performance criteria;
- director's remuneration (formerly attendance fees);
- benefits in kind; and
- a supplementary defined contribution retirement plan.

Given that the role of Chairman and Chief Executive Officer will end on 1 July 2020, it is not envisaged that long-term variable remuneration will be awarded to the Chairman and Chief Executive Officer in respect of 2020 in accordance with article 25-5-1 of the Afep/Medef Code, which stipulates that an executive officer may not be granted share options or performance shares during the year of his or her departure.

The Chairman and Chief Executive Officer is not entitled to any contractual severance or non-competition payments. He does not receive any free shares in the collective free share allocation schemes put in place by the business for all Group employees.

This annual remuneration will be paid pro rata, taking into account the actual duration of the role of Chairman and Chief Executive Officer in 2020.

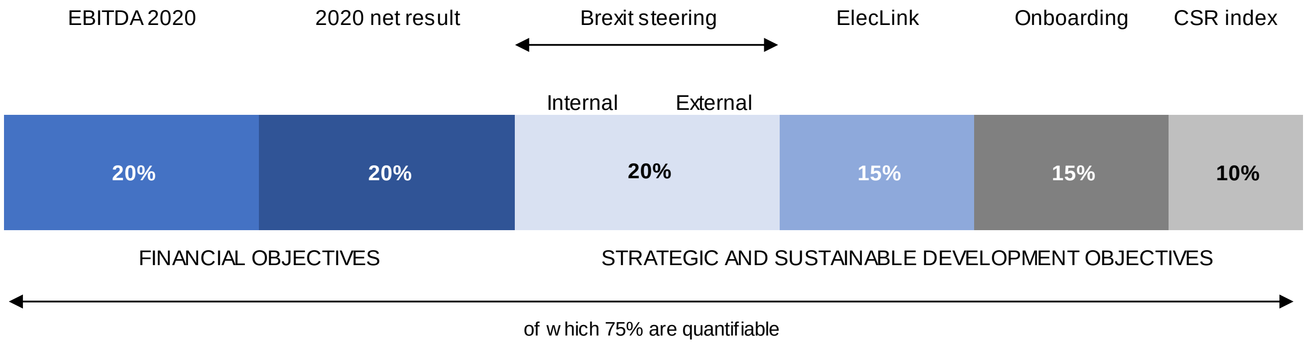
Annual fixed remuneration for 2020

The fixed part of the gross annual remuneration of the Chairman and Chief Executive Officer is €600,000. It will remain unchanged in 2020.

Annual variable remuneration for 2020

Annual variable remuneration is intended to reflect the personal contribution of the Chairman and Chief Executive Officer of the Group to an improvement in its results. It is balanced in proportion to the fixed remuneration and determined as a percentage of the fixed remuneration.

The variable part of annual remuneration is determined using a target remuneration equal to 120% of the annual fixed remuneration of the Chairman and Chief Executive Officer. The cap is set at 120% of fixed remuneration. Payment of the annual variable remuneration is not deferred (beyond the General Meeting vote). It is made up of criteria selected to support the strategy of the business. For 2020, it is made up of 40% quantifiable financial criteria (net result and EBITDA) aimed at rewarding economic performance and 60% strategic and sustainable development criteria, of which 58% is quantifiable, making a total of 75% based on quantifiable criteria as summarised in the table below.



Financial objectives (40%)

- Consolidated net result for the year compared to the net result forecast in the budget (20%), at a constant exchange rate and for the current scope of activities: Eurotunnel, Europorte and ElecLink.
- Consolidated EBITDA target as announced to the market for 2020 (20%): €580 million (at an exchange rate of £1=€1.14), like-for-like (for the current scope of activities: Eurotunnel, Europorte and ElecLink) including some caution in the still uncertain economic context of the United Kingdom's exit from the European Union on 31 January 2020 and the possible consequences of the coronavirus COVID-19 crisis.

Strategic objectives (50%)

- Onboarding (15%): orchestrating upfront the handover and integration of the CEO into the organisation: preparation for the evolution of governance: organising a smooth transition and implementation of the separation of the roles of Chairman and Chief Executive Officer on 1 July 2020, preparing for the strengthening of certain operational departments, with the Chairman and Chief Executive Officer being especially attentive to the cohesiveness of the whole;
- Steering the implementation of the Brexit preparation arrangements, in line with the changes during the Transition Period of the Withdrawal Agreement (20%);
  - implementation of the smart border system and other measures;
  - steering of external actions: representation of the Group in relations with governments and the business' political partners; representation of the Group (negotiations with the IGC and regulators);
- ElecLink: authorisation to install the cable in the Tunnel (15%).

CSR objectives (10%)

For 2020, the Board wished to retain the CSR composite performance index which is stable, relevant, and balanced. This index is structured around four themes directly related to the Group's operations: health and safety, social climate, greenhouse gas emissions and customer satisfaction.

For each of these themes, indicators and targets enable the calculation of an achievement rate of the composite index: (i) health and safety at work; (ii) absenteeism; (iii) greenhouse gas emissions; and (iv) customer satisfaction. The composite index corresponds to the average percentage achievement of the indicators referred to, with a multiplication coefficient weighted towards the environmental indicator. The social and environmental indicators are certified every year by a member of the college of auditors in their capacity as an independent third party.

Methodology

The budgetary targets for 2020 were determined according to the Group's budget, as reviewed by the Board. For confidentiality reasons, the financial targets set for each of the above quantitative criteria are not disclosed.

The financial data is adjusted for exceptional external factors, if any, in order to neutralise their impact and keep genuinely comparable data: at a constant exchange rate and on a comparable basis.

The annual variable remuneration of the Chairman and Chief Executive Officer is adjusted according to a scale, depending on the degree of achievement of the target concerned.

Payment rate (net result and EBITDA)

Achievement rate*	-2.10	-1.05	**Target**	+1.05	+2.10	+3.15	+4.21	**+5**
Payment rate	93.34%	95%	**100%**	105%	107%	112%	115%	**120%**

* *Differential percentage points by reference to a 100% objective.*

Payment rate (quantifiable non-financial targets)

Achievement rate	90%	95%	**Target**	Linear interpolation	**120%**
Payment rate	80%	90%	**100%**		**120%**

This scale enables the over-performance of some criteria to be taken into account, without however the total amount exceeding the maximum of 120% set by the Board for the variable part of the remuneration.

Long-term variable benefits for 2020

No performance shares will be allocated in respect of the 2020 year to Jacques Gounon, Chairman and Chief Executive Officer until 30 June 2020 then non-executive Chairman of the Board of Directors from 1 July 2020. With regard to the preference shares convertible into ordinary shares and the performance shares previously granted to Jacques Gounon, the vesting conditions of which will be met on the date of the end of his term of office as Chairman and Chief Executive Officer, the Board of Directors took note of Jacques Gounon's role in the future strengthened chairmanship of Getlink SE and considered that the condition of Jacques Gounon remaining within the Group as set out in the rules of the allocation plans was met. All the terms and conditions, particularly those relating to performance and the vesting period, of the plans concerned have been maintained.

Benefits in kind/director's remuneration 2020

The Chairman and Chief Executive Officer receives an allowance for the use of his personal vehicle in accordance with the Group's Human Resources company car scheme.

The Chairman and Chief Executive Officer receives director's remuneration (formerly attendance fees) for his role as a Board Director of Getlink SE, just as the other members of the Board of Directors do.

Supplementary defined contribution pension plan/death and disability insurance for 2020

The Chairman and Chief Executive Officer does not have a defined benefit pension plan.

The Chairman and Chief Executive Officer is covered by a basic retirement benefits plan and a complementary pension plan.

The Chairman and Chief Executive Officer benefits from a supplementary pension plan applicable to all Getlink senior managers above the B remuneration bracket.

This plan, whose beneficiaries include people other than the Group's executive officers, is not a defined benefit plan. It is a collective defined contribution plan which would currently grant the Chairman and Chief Executive Officer an estimated pension of €4,887 per year (non-commutable annuity), assuming immediate retirement and on the basis of the accumulated savings as at 31 December 2019.

The Chairman and Chief Executive Officer is covered by a death and disability insurance and personal accident policies available to Getlink SE employees.

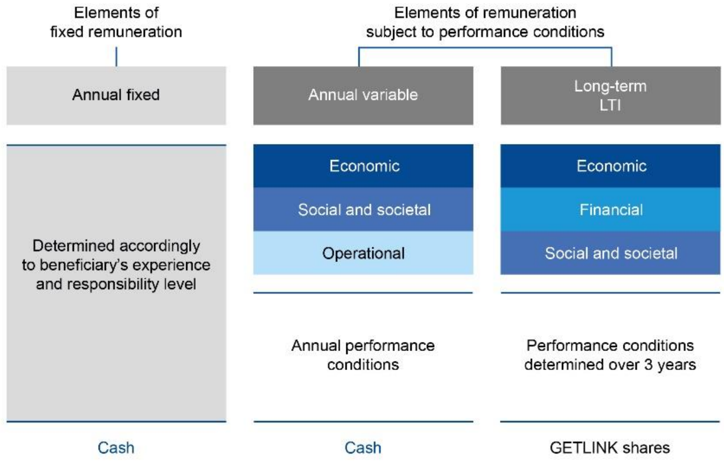
Severance

No payment is due to Jacques Gounon relating to the end of the term of office of the Chairman and Chief Executive Officer.

ii) Chief Executive Officer (CEO) for 2020

The remuneration of the Chief Executive Officer for the second half of 2020 will be comprised of:

- a fixed annual remuneration;
- an annual variable remuneration subject to performance criteria;
- benefits in kind;
- a supplementary defined contribution retirement plan;
- a long-term variable remuneration in the form of free shares granted subject to performance criteria.



The Chief Executive Officer, as an executive officer, will not benefit from an employment contract with Getlink.

The Chief Executive Office will not benefit from any "golden hello" payment nor a contractual severance or non-competition payment. He will not receive any free shares under the collective free share allocation plans set up by the organisation for the benefit of all Group employees.

The 2020 annual remuneration will be paid pro rata, taking into account the actual duration of the role of Chief Executive Officer in 2020.

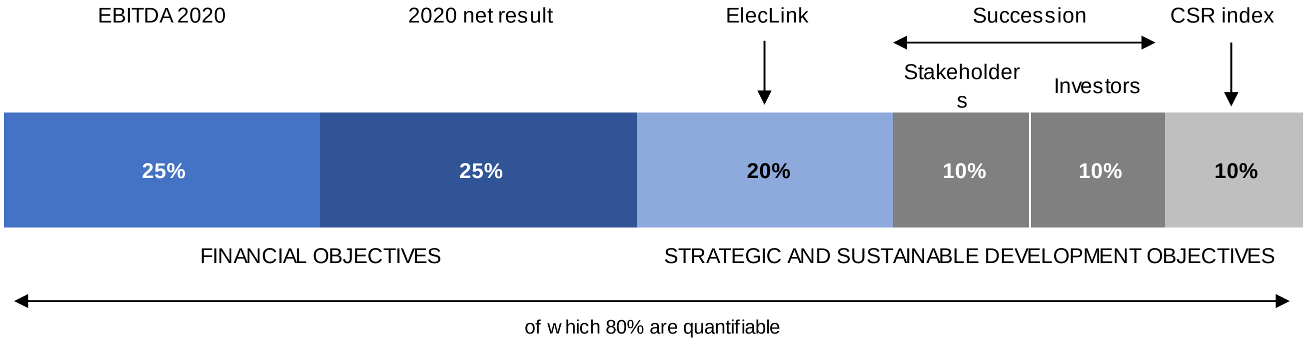
Annual fixed remuneration for 2020

The fixed part of the gross annual remuneration of the Chief Executive Officer will be €400,000. By setting an annual base remuneration below the lowest quartile of the company's reference panel, the Board of Directors has adopted a deliberately conservative approach taking into account the implementation of a transition period with a strengthened chairmanship to allow a smooth and orderly transition, with the remuneration being likely to evolve in a manner consistent with the transition.

Annual variable remuneration for 2020

Annual variable remuneration is intended to reflect the personal contribution of the CEO of the Group to an improvement in its results. It is balanced in proportion to the fixed remuneration and determined as a percentage of the fixed remuneration.

The variable part of annual remuneration is determined using a target remuneration equal to 100% of the annual fixed remuneration of the Chief Executive Officer. The cap is set at 120% of fixed remuneration. Payment of the annual variable remuneration is not deferred (beyond the General Meeting vote). It is made up of criteria selected to support the strategy of the business. For 2020, it is made up of 50% financial criteria that are 100% quantifiable (net result and EBITDA) aimed at rewarding economic performance and 50% strategic and sustainable development criteria, making a total of 80% based on quantifiable criteria as summarised in the table below.



Financial objectives (50%)

- Consolidated net result for the year compared to the net result forecast in the budget (25%), at a constant exchange rate and for the current scope of activities: Eurotunnel, Europorte and ElecLink.
- Consolidated EBITDA target as announced to the market for 2020 (25%): €580 million (at an exchange rate of £1=€1.14), like-for-like (for the current scope of activities: Eurotunnel, Europorte and ElecLink) including some caution in the still uncertain economic context of the United Kingdom's exit from the European Union on 31 January 2020 and the possible consequences of the coronavirus COVID-19 crisis.

Operational objectives (40%)

- Effectiveness of operational and corporate integration; organisation of stakeholder relations (10%);
- ElecLink: installation of the cable in the Tunnel and test phase for commissioning in 2021 (20%);
- Investor and analyst relations (10%).

CSR objectives (10%)

For 2020, the Board wished to retain the CSR composite performance index which is stable, relevant, and balanced. This index is structured around four themes directly related to the Group's operations: health and safety, social climate, greenhouse gas emissions and customer satisfaction.

For each of these themes, indicators and targets enable the calculation of an achievement rate of the composite index: (i) health and safety at work; (ii) absenteeism; (iii) greenhouse gas emissions; and (iv) customer satisfaction. The composite index corresponds to the average percentage achievement of the indicators referred to, with a multiplication coefficient weighted towards the environmental indicator. The social and environmental indicators are certified every year by a member of the college of auditors in their capacity as an independent third party.

Methodology

The budgetary targets for 2020 were determined according to the Group's budget as reviewed by the Board. For confidentiality reasons, the financial targets set for each of the above quantitative criteria are not disclosed.

The financial data is adjusted for exceptional external factors, if any, in order to neutralise their impact and keep genuinely comparable data: at a constant exchange rate and on a like-for-like basis.

The annual variable remuneration of the Chief Executive Officer is adjusted according to a scale, depending on the degree of achievement of the target concerned.

Payment rate (EBITDA and operational cash flow)

Achievement rate*	-2.10	-1.05	**Target**	+1.05	+2.10	+3.15	+4.21	**+5**
Payment rate	93.34%	95%	**100%**	105%	107%	112%	115%	**120%**

* *Differential percentage points by reference to a 100% objective.*

Payment rate (quantifiable and non-financial targets)

Achievement rate	90%	95%	**Target**	Linear interpolation	**120%**
Payment rate	80%	90%	**100%**		**120%**

This scale enables the over-performance of some criteria to be taken into account, without however the total amount exceeding the maximum of 120% set by the Board for the variable part of the remuneration.

Long-term variable remuneration for 2020

Remuneration in shares is an essential element for Getlink to make itself attractive as an employer, since it seeks to converge the interests of employees and shareholders and to strengthen employees' attachment to the Group.

Each year, on the recommendation of the Remuneration Committee the Board of Directors proposes a Long Term Incentive (LTI) plan for the executive officers and senior managers in a position to promote the development of the business through their actions in the form of performance shares or preference shares convertible into ordinary shares.

The Board's policy in this respect is characterised by control of the dilution of capital and multiple performance conditions spread over a number of years. Ordinary shares in the LTI plans are shares purchased by the company under the buy-back scheme.

For 2020, the LTI plan will be structured as performance shares subject to performance criteria measured over three years. The performance shares allocated to the Chief Executive Officer will be wholly subject to internal and external performance conditions that are demanding, measured over a minimum period of three years and that do not guarantee a minimum allocation or gain.

Since 2018, the relative performance of the GET ordinary share has been measured in comparison to the sectoral GPR Getlink Index. This index was created in 2018 by an external firm a specialist in creating indices and a subsidiary of the Dutch bank Kempen & Co, from stocks representative of the Group's activities. This index created by this firm is in accordance with a methodology that conforms with the EU directive UCITS (Undertakings for Collective Investments in Transferable Securities). The reference panel is composed of companies operating in similar industries to Getlink. It includes:

- European transport infrastructure companies reflecting the Group's business (Vinci, Atlantia and ADP etc),
- British transport companies reflecting Getlink's exposure to the United Kingdom (Stagecoach and Firstgroup),
- a ferry operator for the cross-Channel activity (DFDS), and
- electricity companies in anticipation of ElecLink's contribution to results (EDF, Engie and National Grid).

GPR Getlink Index reference panel: Aena SME SA, Atlantia S.p.A., DFDS A/S, Eiffage SA, Électricité de France SA, Engie SA, Ferrovial SA, Firstgroup PLC, Flughafen Zurich AG, Fraport AG, National Grid PLC, Stagecoach Group PLC, Vinci SA and Aéroports de Paris SA.

On 30 April 2020, the General Meeting will be asked to authorise the issue, for the benefit of the Group's senior managers, including the executive officers, of a total of 265,000 performance shares. Subject to the approval of the plan by the General Meeting of 30 April 2020, the final allocation of the ordinary shares would be based on achieving the following three cumulative performance criteria identical to those used by Getlink for previous plans (with one being external to the Group and the other two being internal to the Group):

- The **external performance** condition (the "TSR weighting") would be based on the average performance including dividends (TSR) of the Getlink SE ordinary share over a period of three years compared to the GPR Getlink Index. This element determines **40%** of the cumulative weighting of shares that can be granted. The final attribution of ordinary shares linked to this condition will vary according to the degree of achievement of the objective, it being borne in mind that:
  - should the TSR of the Getlink SE ordinary share be strictly less than the performance of the GPR Getlink Index over the aforementioned period of three years, no shares will be granted; and
  - should the TSR of the Getlink SE ordinary share be equal to the performance of the GPR Getlink Index over the aforementioned period of three years, 15% of the number that can be granted will be granted, with the whole being capped at 40% of the number that can be granted.
- The first **internal performance** condition (the "EBITDA weighting") would be based on the Group's financial performance, assessed by reference to the average rate of achievement of EBITDA over a period of three years covering 2020, 2021 and 2022 at constant exchange rates and comparable scope. This element determines **50%** of the cumulative weighting (the total number of shares that can be granted). The final attribution of shares linked to this condition would vary according to the degree of achievement of the objective, it being borne in mind that:
  - should the average rate of achievement of EBITDA in 2020, 2021 and 2022 be strictly less than 100% of the average of the EBITDA communicated to the market by Getlink SE for the periods 2020, 2021 and 2022, no shares will be granted; and
  - should the average rate of achievement of EBITDA in 2020, 2021 and 2022 be equal to or greater than 100% of the average of the EBITDA target communicated to the market by Getlink SE for the periods 2020, 2021 and 2022, 15% of the number that can be granted will effectively be granted, with the whole being capped at 50%.
- The second internal performance condition (the "CSR weighting") would be based on the Group CSR composite index described above. This element determines **10%** the cumulative weighting.

The exact number of ordinary shares that will be acquired by the beneficiaries at the end of the vesting period will depend on the degree of achievement of the performance, it being borne in mind that:

- should the achievement rate of each criterion be less than 100%, there will be no right to ordinary shares,
- should the achievement rate be equal to or greater than 100%, the allocation ratio of the ordinary shares will follow a progressive scale depending on the degree of achievement of the objectives,
- the allocation ratio of the ordinary shares will reach 39% of its potential if each criterion is equal to its intermediate level (corresponding to an average weighted achievement of 105.75%), and
- the allocation ratio of the ordinary shares will reach 100% of its potential if each criterion exceeds its upper level. In any case, if the weighted average rate of achievement is less than 112%, the allocation ratio of the ordinary shares will not reach 100% of its potential.

Restrictive rules of detention and conservation

The allocations to the Chief Executive Officer shall be subject to the rules applicable to executive officers as set forth in section 5.1.1.c of this Universal Registration Document.

Benefits in kind 2020

The Chief Executive Officer will have a company car in accordance with the Group's Human Resources company car scheme.

Supplementary defined contribution pension plan/death and disability insurance for 2020

The Chief Executive Officer will not have a defined benefit pension plan.

The Chief Executive Officer will benefit from a basic retirement benefits plan and a complementary pension plan.

The Chief Executive Officer will benefit from a supplementary pension plan applicable to all Getlink senior managers above the B remuneration bracket. This plan, whose beneficiaries include people other than the Group's executive officers, is not a defined benefit plan. It is a collective defined contribution plan.

The Chief Executive Officer is covered by a death and disability insurance and personal accident policies available to Getlink SE employees.

Payment for taking up/leaving office

No "golden hello" payments or payments for leaving office are due.

iii) Deputy Chief Executive Officer for 2020

In view of the impending end of the role of Deputy Chief Executive Officer in 2020[34] following the decision to separate the roles of Chairman and Chief Executive Officer, the Board of Directors has decided to retain the elements of the remuneration policy relating to the Deputy Chief Executive Officer, as voted by the shareholders in respect of 2019, for the actual duration of the office in 2020 in the context of its planned termination during the year.

In 2019, the remuneration of the Deputy Chief Executive Officer, François Gauthey, was comprised of:

- a fixed annual remuneration;
- an annual variable remuneration subject to performance criteria;
- benefits in kind;
- a supplementary defined contribution retirement plan;
- a long-term variable remuneration in the form of free shares granted subject to performance criteria.

For 2020, the Board of Directors has agreed the following:

Annual fixed remuneration for 2020

The fixed part of the gross annual remuneration of the Deputy Chief Executive Officer remains unchanged at €400,000 and is paid pro rata for the effective length of the term in 2020.

Annual variable remuneration for 2020

The Board of Directors, having taken note of the temporary and transitional nature of the term of office of the Deputy Chief Executive Officer, which is due to expire shortly in 2020, and of the correspondingly limited ability of the Deputy Chief Executive Officer to influence the performance of the organisation in 2020 in that role, has decided not to provide for a variable element of the Deputy Chief Executive Officer's annual remuneration for 2020.

Long-term remuneration

In accordance with article 25-5-1 of the Afep/Medef Code, which stipulates that an executive officer may not be granted share options or performance shares at the time of his or her departure, the Board of Directors has decided not to provide for the granting of long-term remuneration in the policy relating to the Deputy Chief Executive Officer for 2020.

Benefits in kind for 2020

The Deputy Chief Executive Officer has a company car.

Supplementary defined contribution pension plan/death and disability insurance for 2020

The Deputy Chief Executive Officer does not have a defined benefit pension plan. He benefits from the same supplementary pension plan offered to all senior managers above the B remuneration bracket. This plan, whose beneficiaries include people other than the Group's executive officers, is not a defined benefit plan. It is a collective defined contribution plan which would currently grant the Deputy Chief Executive Officer an estimated pension of €2,177 per year (non-commutable annuity), assuming retirement at the age of 65 and on the basis of the accumulated savings as at 31 December 2019.

The Deputy Chief Executive Officer is covered by death and disability insurance and personal accident policies available to employees of Getlink SE.

iv) Chairman 2020

The Chairman's remuneration for the second half of 2020 will consist of:

- a fixed annual remuneration; and
- benefits in kind/director's remuneration.

Annual fixed remuneration

In view of the strengthened duties of the Chairman described in section 4.1.1 of this Universal Registration Document, the Board of Directors has decided to keep the Chairman's fixed remuneration at its current amount of €600,000 gross per year.

Benefits in kind/Director's remuneration

The Chairman will benefit from an allowance for the use of a personal vehicle and, in respect of his office as a director, will receive director's remuneration in the same way as the other members of the Board of Directors.

v) Directors' remuneration

The Directors of Getlink SE receive remuneration in respect of their office as directors which until this year was referred to as attendance fees.

The maximum total amount of director's remuneration was set at €825,000 by the shareholders' Combined General Meeting of 27 April 2017, at a time when the Board was composed of 11 members. When the number of Board members was increased from 11 to 15 in 2018, the terms for the distribution of directors' fees took account of the need to review the overall annual remuneration package for directors in order to maintain a high international representation on the Board of Directors and to attract and retain highly qualified individuals to sit on the Board of Directors in the context of the work to renew the Board of Directors. From a succession perspective, it is important to remain in line with market practices. The Board of Directors, on the recommendation of the Remuneration Committee and after reviewing the average amount of remuneration

[34] *Section 2.3 of this Universal Registration Document: removal of the role of Deputy Chief Executive Officer on 15 March 2020.*

paid to directors of companies with a comparable market capitalisation as well as companies comparable to Getlink in terms of turnover and number of employees, has decided to propose to the General Meeting of 30 April 2020 that the overall annual remuneration package of the Board of Directors be increased to €950,000.

The terms of distribution of this package will be adjusted in accordance with the current rules of the directors' remuneration policy, namely that the amount of the remuneration:

- includes a fixed portion and a predominant variable portion determined on the basis of actual attendance at meetings;
- is increased for directors who cross a border to attend a Board meeting;
- is reduced when directors participate in Board meetings by videoconference or telephone;
- includes an additional variable portion for actual committee participation; committee members receive this additional remuneration for each time they participate in a different committee.

5.1.2 REMUNERATION PAID OR AWARDED DURING OR IN RESPECT OF THE 2019 FINANCIAL YEAR (EX-POST VOTE)

In accordance with the provisions of article L. 225-37-3 of the French Commercial Code, the elements that make up the total remuneration and benefits of any kind paid or granted for the financial year ended 31 December 2019 to Jacques Gounon, by reason of his office of Chairman and Chief Executive Officer and to François Gauthey by reason of his office of Deputy Chief Executive Officer are set out below. These elements accord with the rules and principles agreed in respect of the determination of remuneration and benefits of any kind applicable to the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer for the 2019 financial year and approved by the General Meeting held on 18 April 2019.

In accordance with article L. 225-100 of the French Commercial Code, the General Meeting of 30 April 2020 will be asked to vote on the elements paid or granted for the previous financial year, with the variable remuneration elements paid only after approval of the said remuneration by the General Meeting which will vote *ex-post*.

The remuneration amounts shown in this chapter cover all the remuneration due or granted to executive officers, for all their offices or functions within the Group.

a) Remuneration owed to the Chairman and Chief Executive Officer for 2019

The remuneration owed to the Chairman and Chief Executive Officer, Jacques Gounon, for 2019 is comprised of:

- a fixed annual remuneration;
- an annual variable remuneration subject to performance criteria;
- director’s remuneration (formerly attendance fees);
- benefits in kind;
- a supplementary defined contribution retirement plan;
- a long-term variable remuneration in the form of free shares granted subject to performance criteria.

Annual fixed remuneration for 2019

The fixed part of the gross annual remuneration of the Chairman and Chief Executive Officer owed for 2019 is €600,000.

Annual variable remuneration for 2019

Ceiling

The ceiling for the variable part of the Chairman and Chief Executive Officer’s annual remuneration is 120% of the annual basic salary; it is calculated on a base of €720,000 representing 120% of the annual fixed remuneration due for 2019.

Criteria

For the sake of consistency and transparency of information, the Board of Directors kept the two financial criteria used in previous years, i.e. the criterion of the net result and the published EBITDA target. The Board decided to maintain, as in previous years, the proportion of 50% for operational criteria, so that the performance criteria cover all the organisation’s challenges.

- Consolidated net result for the year compared to the net result estimated in the budget (25%);
- Consolidated EBITDA target as announced to the market for 2020 (25%): €560 million for 2018 (at an exchange rate of £1=€1.128);

Strategic objectives (40%)

- Steering the strategic plan to transform the business in readiness for Brexit (25%):
  - Steering the internal actions relating to changes in business functions (12%): steering the ambitious strategic plan aimed at transforming the business to improve operational efficiency from the perspective of Brexit, accelerating the deployment of measures aimed at reducing the impact of Brexit on traffic and market share;
  - Steering external actions (13%): representing the Group in relations with governments and the business’s political partners;
- ElecLink (10%): strategy to sell capacity;
- Rail traffic (5%): new destinations, standardisation of fleet, rail motorways.

CSR objectives (10%)

For 2019, the Board wished to retain the CSR composite performance index which is stable, relevant, and balanced. This index is structured around four themes directly related to the Group's operations: health and safety, social climate, greenhouse gas emissions and customer satisfaction.

For each of these themes, indicators and targets enable the calculation of an achievement rate of the composite index: (i) health and safety at work; (ii) absenteeism; (iii) greenhouse gas emissions; and (iv) customer satisfaction. The composite index corresponds to the average percentage achievement of the indicators referred to, with a multiplication coefficient weighted towards the environmental indicator. The social and environmental indicators are certified every year by a member of the college of auditors in their capacity as an independent third party.

The variable remuneration of the Chairman and Chief Executive Officer was adjusted as follows, depending on the degree of achievement of the target concerned:

Payment rate (net result and EBITDA)

Achievement rate*	-2.10	-1.05	**Target**	+1.05	+2.10	+3.15	+4.21	**+5**
Payment rate	93.34%	95%	**100%**	105%	107%	112%	115%	**120%**

* *Differential percentage points by reference to a 100% objective.*

Payment rate (quantifiable non-financial targets)

Achievement rate	90%	95%	**Target**	Linear interpolation	**120%**
Payment rate	80%	90%	**100%**		**120%**

On 12 February 2020, the Remuneration Committee examined the performance of the Chairman and Chief Executive Officer by comparing the results achieved with the target indicators shown above and made recommendations to the Board.

With regard to the criterion of achieved net profit, in order to allow for a comparison on a like-for-like basis and at the same exchange rate and so as to use genuinely comparable data, the net result generated in 2019 was recalculated at the rate of exchange at which the budget had been prepared and excluding net exchange gains. The Committee stated that the level of achievement of the objective had exceeded the 105% and had reached the 120% tranche of the 25%.

With regard to the EBITDA criterion, the Committee stated that the EBITDA target calculated on the basis of a parity exchange rate of £1=€1.128 had been achieved at 99.43% and achieved the 95% tranche of the 25%.

The Committee considered the different areas of the implementation of the Group strategy:

- As for the Brexit preparations, the Committee welcomed the actions of the Chairman and Chief Executive Officer who represented Getlink in high-level relations both nationally and internationally, including with the public authorities and with Getlink's strategic partners and stakeholders, within a context of overall pre-emption of the different options, carried out at the double level of making the public authorities aware of the specific requirements and economic reality of cross-Channel transport as well as identifying practical potential constraints. The Committee welcomed the settlement agreement reached in 2019 between the UK Secretary of State for Transport and Eurotunnel, by which the Secretary of State for Transport paid £33 million in settlement compensation. The Committee welcomed the steering, in conjunction with the authorities, of the design of a coherent and fluid package articulated around six points (secure export car park; Pit-Stops; secure pay car park; check-in; green or orange lanes; SIVEP customs centre). The Committee took note of the Chairman and Chief Executive Officer's efforts to promote the digitalisation of processes and to improve traffic flow with, in the long term, online check-in and facial recognition of truck drivers, coach and car passengers.
- With regard to the actions to develop rail traffic, the Committee took note of the Chairman and Chief Executive Officer's long-term efforts with the national authorities and railway stakeholders to gradually resolve barriers to the development of new services (effective security and border controls, authorisation of rolling stock, investments in interoperability, improved access to stations, long-term visibility etc). The Committee noted the substantial progress made.
- As for ElecLink, the Committee noted the presentation of the strategy to sell capacity.

The Committee considered that the implementation of the Group strategy was achieved at 100% of the 40%.

As for the CSR objectives as measured by the CSR composite index (10%), the Committee considered that, in the light of the 2019 results, with a marked improvement in the frequency of accidents and the ratio of greenhouse gas emissions to revenue for the second year in a row and despite of a lesser performance in the absenteeism rate, the objective was achieved at 148% and capped at 120%.

Details concerning the annual variable remuneration owed for 2019

Criteria	Weighting	Performance rate	Amount owed (euros)
Net consolidated result	25%	120%	216,000
EBITDA	25%	95%	171,000
Management of the Brexit strategic plan	25%	100%	180,000
ElecLink	10%	100%	72,000
Rail traffic	5%	100%	36,000
Composite CSR index	10%	120%	86,400

At its meeting on 26 February 2020, the Board of Directors assessed the performance of the Chairman and Chief Executive Officer by reference to the performance indicators set out above.

Following the recommendations of the Remuneration Committee and taking into account the achievements referred to, the Board fixed the Chairman and Chief Executive Officer's variable remuneration for the year ended 31 December 2019 at a capped amount of €720,000, being a reduction of €41,400 compared to the amount that would have been due if the criteria had not been capped. Payment of this remuneration is subject to approval by the General Meeting on 30 April 2020.

Benefits in kind and director's remuneration (attendance fees) for 2019

For 2019, Jacques Gounon received an indemnity for the use of his personal vehicle which represented an annual amount of €11,400 for the year (2018: €11,352 based on the exchange rate used for the 2018 income statement).

Jacques Gounon received remuneration (attendance fees) for his role as a Director of Getlink SE (as set out in the table in section 5.1.2 of this Universal Registration Document).

Supplementary defined contribution pension plan/death and disability insurance for 2019

The Chairman and Chief Executive Officer does not have a defined benefit pension plan. The Chairman and Chief Executive Officer benefits from the supplementary pension plan available to all senior managers employed above the B remuneration bracket. This plan, whose beneficiaries include people other than the Group's executive officers, is not a defined benefit plan. It is a defined contribution plan, which would currently grant the Chairman and Chief Executive Officer an estimated pension of €4,887 per year (non-commutable annuity), assuming immediate retirement and on the basis of the accumulated savings as at 31 December 2019.

Regarding contributions, the contribution base is the gross annual salary broken down by tranches (A, B, C and beyond C). The rates applied are 0.50% on tranche A, 0.50% on tranche B, 7.50% on tranche C and 0.00% beyond the C tranche. There is an exemption from French social security charges associated with the charge to the company within the limit of 5% of the remuneration capped at five times the annual French social security ceiling and a fixed rate of 20% on the exempt portion. For tax purposes, the employer contributions are deductible from the result.

In 2019, the employer contributions for this supplementary pension scheme amounted to €12,968 (2018: €12,184) out of a total of €95,499 (2018: €94,218) for all employees concerned.

The Chairman and Chief Executive Officer benefits from a basic retirement plan and a complementary retirement plan. In 2019, the contributions for the complementary pension scheme amounted to €28,416 (2018: €26,415) for the employee contribution and €45,795 (2018: €42,508) for the employer contribution.

The Chairman and Chief Executive Officer is covered by death and disability insurance and personal accident policies available to employees of Getlink SE.

Long-term variable benefits for 2019

As part of partnership governance, where the interests of all stakeholders are taken into account, Getlink SE has introduced performance-linked benefits for employees and executive officers, in the interests both of aligning employees' and executive officers' interests with those of shareholders and of maximising shareholder value.

The first component of the mechanism aims to involve employees who are not part of senior management in the development of the business through collective plans for the free allocation of shares to employees. As with the previous plans, the Chairman and Chief Executive Officer was excluded from the list of employees eligible to benefit from the collective free share allocation plan authorised by the General Meeting of 18 April 2019.

The second component aims to favour the performance of senior managers over the long term, with free shares which have performance conditions attached.

For each of these grants, the Board ensured that the grants to the Chairman and Chief Executive Officer did not exceed 10% of the overall attribution for the 2019 plan.

Free shares subject to performance conditions for 2019

The General Meeting of 18 April 2019 continued the implementation of a long-term incentive plan for the Group's executive officers and senior managers. The plan aims to encourage them to maximise their long-term contribution to the organisation's success, since they are able to influence its progress through their initiatives. The vesting of the ordinary shares is based on achieving one external and two internal performance conditions all over three years.

Since consistency in performance conditions is a long-term value creation factor, the Board of Directors has renewed a scheme identical to previous years based on performance conditions that continue to include EBITDA, total share return and CSR.

- The external performance condition represents 40% of the total that can be granted and is based on the average performance including dividends (TSR) of the Getlink SE ordinary share over a period of three years compared to the performance of the GPR Getlink Index.
- The first internal performance condition represents 50% of the total that can be granted and is based on the Group's financial performance, assessed by reference to the average rate of achievement of the EBITDA objective over a period of three years covering 2019, 2020 and 2021 (like-for-like and at a constant exchange rate).
- The second internal performance condition represents 10% of the total that can be granted and is based on the CSR composite index, which is structured around four themes directly related to the Group's operations: health and safety, social climate, greenhouse gas emissions and customer satisfaction.

The exact number of ordinary shares that will be acquired by the beneficiaries at the end of the vesting period will depend on the degree of achievement of the performance. The allocations to the Chairman and Chief Executive Officer are subject to the rules applicable to executive officers as set forth in section 5.1.1.d of this Universal Registration Document.

The Board of Directors granted Jacques Gounon 150 preference shares (E preference shares) convertible into a maximum of 150,000 ordinary shares, under the above performance conditions.

LTI plans available in 2019

2015 plan: 34% conversion rate

The C preference shares, issued in accordance with the authorisation of the General Meeting of 29 April 2015, were converted into ordinary shares in 2019.

On 30 April 2017, at the end of the vesting period for the C preference shares (fixed at two years from 29 April 2015) the C preference shares were issued. The number of C preference shares to be issued depended on the level by which the EBITDA objectives for the two years as communicated to the market had been exceeded. The Board stated that the average level by which the EBITDA target announced to the market had been exceeded corresponded to an allocation of 66% of the C preference shares.

The conversion of the C preference shares depended on the following internal and external performance conditions:

- The performance including dividends (TSR) of the Getlink SE ordinary share compared to the median TSR of the components of the Dow Jones Infrastructure Index over a period of three years (40%);
- The economic performance of the business assessed by reference to the average EBITDA rate of achievement (50%);
- CSR performance: an internal condition that represents 10% of the total that can be granted and depends on the CSR composite index (10%).

At the end of the three-year period the Board stated that the performance conditions had been met. In 2019, each C preference share was converted into 262 ordinary shares i.e. on the basis of 1,092 C preference shares, a total of 286,104 ordinary shares were allocated with a final conversion rate of 34%. Jacques Gounon received 34,584 ordinary shares in respect of the 2015 plan.

2016 plan: 64% conversion rate

The General Meeting of 27 April 2016 authorised the grant of 1,200,000 ordinary shares subject to performance conditions to the Group's senior staff subject to the following internal and performance conditions:

- The performance including dividends (TSR) of the Getlink SE ordinary share compared to the median TSR of the components of the Dow Jones Infrastructure Index over a period of three years (40%);
- The economic performance of the business assessed by reference to the average EBITDA rate of achievement (50%);
- CSR performance: an internal condition that represents 10% of the total that can be granted and depends on the CSR composite index (10%).

At the end of the three-year vesting period the Board stated that the overall weighting linked to the achievement of the performance conditions was 0.64. The number of ordinary shares granted in 2019 under the 2016 Plan amounted to 755,040 (after deduction, where applicable, of shares cancelled in accordance with the terms of the relevant plan), based on a conversion ratio of 64%. Jacques Gounon received 76,800 ordinary shares under the 2016 plan.

2017, 2018 and 2019 plans

The plans referred to below, the terms of which are set out in chapters 7 and 8 of this Universal Registration Document, are not yet available:

- The free shares subject to performance conditions authorised by the General Meeting held on 27 April 2017.
- The D preference shares authorised by the General Meeting held on 18 April 2018. The General Meeting of 18 April 2018 authorised the creation by the Board of Directors of the D preference shares, convertible into ordinary shares at a maximum conversion ratio of 1,000 ordinary shares. The one-year vesting period for French tax residents expired on 18 April 2019 and the issue of 1,127 D preference shares was materially completed. Jacques Gounon received 150 D preference shares.
- The E preference shares authorised by the General Meeting of 18 April 2019.

Share option plans

Three share option plans are in place in the organisation. In accordance with the authority conferred by the Combined General Meeting of 26 May 2010, the Board of Directors proceeded to grant options on 16 July 2010 (2010 plan), on 21 July 2011 (2011 plan) and on 20 July 2012 (2012 plan). All options were subject to external and internal performance conditions (EBITDA, dividends and share price):

- For the 2010 plan, all performance conditions were met and so 100% of the options were acquired. On 10 December 2019, Jacques Gounon exercised 10,000 options in the 2010 plan.
- For the 2011 plan, half the performance conditions were met and so 50% of the options were acquired.
- For the 2012 plan, 75% of the performance conditions were met and so 75% of the options were acquired. On 2 January 2019, Jacques Gounon exercised 24,470 options in the 2012 plan.

b) Remuneration owed to the Deputy Chief Executive Officer for 2019

François Gauthey has been Deputy Chief Executive Officer of Getlink SE since 1 May 2016. His employment contract has been suspended through the entire duration of his term as Deputy Chief Executive Officer.

The remuneration of the Deputy Chief Executive Officer François Gauthey, as determined by the Board upon the recommendation of the Remuneration Committee, was comprised in 2019 of:

- a fixed annual remuneration;
- an annual variable remuneration subject to performance criteria;
- benefits in kind;
- a supplementary defined contribution retirement plan;
- a long-term variable remuneration in the form of free shares granted subject to performance criteria.

Annual fixed remuneration for 2019

The fixed remuneration of the Deputy Chief Executive Officer has been €400,000 since 1 May 2018, i.e. a fixed gross annual remuneration of €400,000 due for the 2019 financial year.

Annual variable remuneration for 2019

The annual variable remuneration of the Deputy Chief Executive Officer is capped at 65% of the fixed remuneration.

For 2019, the Board maintained the following two financial criteria:

Financial objectives (50%)

- Consolidated EBITDA target as announced to the market for 2019 (25%): €560 million (at an exchange rate of £1=€1.128);
- Consolidated annual operational cash flow, by comparison with the operational cash flow forecast in the budget (25%).

Quantifiable objectives (operational) (40%)

- Finalisation of the iterative ElecLink approval process (10%): cable installation in the Tunnel and completion of works (in accordance with the project's schedule and budget);
- Implementation of the investment strategy in readiness for Brexit (10%): carrying out the financial elements of the investment plan agreed in the budget, namely cost control and technological deployment;
- Quality of service (20%): using four indicators, including adhering to the timetable, mystery shopper scores and complaints;
- Social performance (10%): management of social climate in the Group measured by two indicators.

On 26 February 2020, the Remuneration Committee met to discuss the percentage of achievement of the fixed objectives.

With regard to the EBITDA criterion, the Committee concluded that the EBITDA objective calculated on the basis of a parity exchange rate of £1=€1.128 had been achieved at 99.43% and had reached the threshold of 95% of the 25%. The Committee stated that the operational cash flow objective had been achieved at 102.72%. As for the operational criteria, the Committee found for the ElecLink project that the works had been completed, but that the cable had not been installed. The Committee stated that the Brexit work was managed within budget, i.e. 100% achievement of that criterion. Based on the results of the KPIs set up to measure service quality, the Committee noted that the objectives were 69% achieved and that social performance resulted in an 85% achievement.

Breakdown concerning the annual variable remuneration due for 2019

Criteria	Weighting	Performance rate	Amount owed (euros)
EBITDA	25%	95%	61,750
Operational cash flow	25%	103%	69,550
ElecLink	10%	25%	6,500
Brexit: completion of work in line with budget	10%	100%	26,000
Quality of service	20%	69%	36,000
Social performance	10%	85%	22,100

At its meeting on 26 February 2020, the Board of Directors assessed the performance of the Deputy Chief Executive Officer by reference to the performance indicators set out above.

Following the recommendations of the Remuneration Committee and given the stated achievements, the Board set the Deputy Chief Executive Officer's variable remuneration for 2019 at €221,900, i.e. 85.35% of the maximum available. Payment is conditional on the approval of the General Meeting.

Benefits in kind for 2019

The Deputy Chief Executive Officer has a company car, which represented a benefit in kind worth €2,837 in 2019.

Supplementary defined contribution pension plan/death and disability insurance for 2019

The Deputy Chief Executive Officer does not have a defined benefit pension plan. He benefits from the same supplementary pension plan offered to all senior managers above the B remuneration bracket. This plan, whose beneficiaries extend beyond the Group's executive officers, is not a defined benefit plan. It is a defined contribution plan which would currently grant the Deputy Chief Executive Officer an estimated pension of €2,177 per year (non-commutable annuity), assuming retirement at the age of 65 and on the basis of the accumulated savings as at 31 December 2019.

In 2019, the employer contributions for this supplementary pension scheme amounted to €12,968 (2018: €12,714) out of a total of €95,499 (2018: €94,218) for all employees concerned.

The Deputy Chief Executive Officer benefits from a basic retirement plan and a supplementary retirement plan. In 2019, employee contributions to the complementary pension scheme totalled €28,416 (2018: €26,197) and employer contributions totalled €45,795 (2018: €42,157).

The Deputy Chief Executive Officer is covered by death and disability insurance and personal accident policies available to employees of Getlink SE.

Long-term variable benefits for 2019

The General Meeting of 18 April 2019 continued the implementation of a long-term incentive plan for the Group's executive officers and senior managers. The plan aims to encourage them to maximise their long-term contribution to the organisation's success, since they are able to influence its progress through their initiatives. The vesting of the ordinary shares is based on achieving one external and two internal performance conditions all over three years.

Since consistency in performance conditions is a long-term value creation factor, the Board of Directors has once more adopted a scheme identical to previous years based on performance conditions that continue to include EBITDA, total share return and CSR.

- The external performance condition represents 40% of the total that can be granted and is based on the average performance including dividends (TSR) of the Getlink SE ordinary share over a period of three years compared to the performance of the GPR Getlink Index.
- The first internal performance condition represents 50% of the total that can be granted and is based on the Group's financial performance, assessed by reference to the average rate of achievement of EBITDA over a period of three years covering 2019, 2020 and 2021 (like-for-like and at a constant exchange rate).
- The second internal performance condition represents 10% of the total that can be granted and is based on the CSR composite index, which is stable, relevant, and balanced. This index is structured around four themes directly related to the Group's operations: health and safety, social climate, greenhouse gas emissions and customer satisfaction.

The exact number of ordinary shares that will be acquired by the beneficiaries at the end of the vesting period will depend on the degree of achievement of the performance. The allocations to the Deputy Chief Executive Officer are subject to the rules applicable to executive officers as set forth in section 5.1.1.d of this Universal Registration Document.

The Board of Directors granted François Gauthey 135 preference shares convertible into a maximum of 135,000 ordinary shares, under the above performance conditions.

LTI plans available in 2019

2016 plan: 64% conversion rate

The General Meeting of 27 April 2016 authorised the grant of 1,200,000 ordinary shares subject to performance conditions to the Group's senior staff subject to the following performance conditions:

- The performance including dividends (TSR) of the Getlink SE ordinary share compared to the median TSR of the components of the Dow Jones Infrastructure Index over a period of three years (40%);
- The economic performance of the business assessed by reference to the average EBITDA rate of achievement (50%);
- CSR performance: an internal condition that represents 10% of the total that can be granted and depends on the CSR composite index (10%).

At the end of the three-year vesting period the Board stated that the overall weighting linked to the achievement of the performance conditions was 0.64. The number of ordinary shares granted in 2019 under the 2016 plan amounted to 755,040 (after deduction, where applicable, of shares cancelled in accordance with the terms of the relevant plan), based on a conversion ratio of 64%. François Gauthey received 70,400 ordinary shares under the 2016 plan.

2017, 2018 and 2019 plans

The plans referred to below, the terms of which are set out in chapters 7 and 8 of this Universal Registration Document, are not yet available:

- The free shares subject to performance conditions authorised by the General Meeting held on 27 April 2017.
- The D preference shares authorised by the General Meeting held on 18 April 2018. The General Meeting of 18 April 2018 authorised the creation by the Board of Directors of the D preference shares, convertible into ordinary shares at a maximum conversion ratio of 1,000 ordinary shares. The one-year vesting period for French tax residents expired on 18 April 2019 and the issue of 1,127 D preference shares was materially completed. François Gauthey received 120 D preference shares.
- The E preference shares authorised by the General Meeting of 18 April 2019.

c) Remuneration of Board members in 2019

The Directors of Getlink SE receive remuneration, formerly called attendance fees.

The maximum total amount of attendance fees was set at €825,000 by the shareholders' Combined General Meeting of 27 April 2017.

The breakdown of attendance fees was reviewed by the Board in 2018, on the recommendation of the Remuneration Committee, following on from the General Meeting of 18 April 2018 (which increased the number of Board members from 11 to 15), in a way that respects the maximum total amount set by the General Meeting while ensuring that this remuneration is predominantly variable in accordance with article 20.1 of the Afep/Medef Code.

Directors' remuneration consists of a fixed part and a variable part proportionate to the attendance of Directors at meetings of the Board of Directors and of its committees, with an enhancement for the chairs of Board Committees. The fixed part was reduced from €1,950 to €1,700 per month (more for Committee chairs) and the variable part has been reduced as follows:

- physical presence at a Board meeting reduced from €2,250 to €2,000 per meeting;
- increase of €500 if physical attendance involves crossing a border;
- reduction to €800 if attendance at a Board meeting is by telephone or video conference.

The total amount of directors' remuneration* owing by Getlink SE to its Directors for the 2019 financial year is €733,050 (2018: €729,275), as detailed in the table below:

€	2019*	2018*
Jacques Gounon	51,550	57,250
Corinne Bach	45,250	49,250
Bertrand Badré	41,650	47,200
Elisabetta De Bernardi di Valserra	39,500	26,350
Giovanni Castellucci	20,200	18,750
Giancarlo Guenzi	2,500	–
Patricia Hewitt	50,500	61,000
Peter Levene	44,950	37,175
Colette Lewiner	54,500	61,900
Colette Neuville	63,000	73,800
Perrette Rey	63,000	73,800
Stéphane Sauvage	47,400	21,900
Jean-Pierre Trotignon	60,900	71,350
Philippe Vanderbec	47,400	21,900
Philippe Vasseur	48,250	53,950
Tim Yeo	52,500	53,700
Total	**733,050**	**729,275**

* *Amounts before withholding tax or deductions at source.*

Non-executive directors do not receive any other form of remuneration.

Executive officers and senior management do not receive attendance fees for their terms of office in other companies in the Group.

In addition, members of the Board of Getlink SE benefit from directors' and officers' liability insurance, as do all officers who are individuals.

5.1.3 ALIGNMENT OF REMUNERATION

The Remuneration Committee referred to various analyses, one of which was a comparative analysis prepared by an independent firm (Mercer) specialising in executive remuneration studies. That study was designed to measure the relative remuneration of the Chairman and Chief Executive Officer and of the Deputy Chief Executive Officer compared to their peers. It focused on the remuneration of chairmen and chief executive officers and the deputy chief executive officers of the inter-sectoral panel of the French SBF 120 companies below, with characteristics in common with the Group in terms of headcount and revenue: Altran Technologies, Bic, Biomérieux, CGG, Edenred, Eramet, Eurofins Scientific, Eutelsat communications, Imerys, Ingenico, Ipsen, JC Decaux, Métropole TV (M6), Neopost, Rémy Cointreau, Seb, Tarkett, TF1, Ubisoft Entertainment, Vallourec and Vicat. Zodiac Aérospace is no longer part of the panel.

The comparison of the 2019 remuneration of the Chairman and Chief Executive Officer with the practice of these companies in 2018 showed that:

- the annual base salary of Jacques Gounon (€600,000) is below the lowest quartile (€700,000) and is much lower than the average (€766,200);
- the annual variable remuneration in 2019 for Jacques Gounon (€720,000) is lower than the average (€751,000);
- the long-term share-based remuneration granted in 2019 to Jacques Gounon (€1,443,000) is in the highest quartile (€1,187,500);
- the total annual remuneration in 2019 for Jacques Gounon is between the median (€2,263,900) and the third quartile (€3,356,200);
- the breakdown of the remuneration of Jacques Gounon shows that the variable part of remuneration (78%) is slightly more significant than for the other companies in question (67%).

The annual fixed remuneration proposed for the new Chief Executive Officer Yann Leriche for 2020 (€400,000 for a full year) is below the lowest quartile; his target potential annual variable remuneration (€400,000) is below the lowest quartile (€610,100).

Equality ratios established between the level of remuneration of executive officers and the average and median remuneration of the company's employees

In accordance with the provisions of Order 2019-1234 of 27 November 2019 transposing EU Directive 2017/828, all companies whose securities are admitted to trading on a regulated market must set out in the corporate governance report the ratios between:

- the level of remuneration of each of the executive officers; and
- the average and median remuneration on a full-time equivalent basis of the company's employees.

These equality ratios have been calculated in accordance with the principles explained below and in line with the guideline recommendations defined by Afep.

Elements of remuneration included

The ratios presented below have been calculated on the basis of the elements of remuneration paid or awarded during the financial year.

Remuneration elements taken into account in the numerator: executive officers

- The fixed remuneration paid during each financial year;
- The variable remuneration paid during each financial year;
- Remuneration related to the role of director paid during each financial year;
- Benefits in kind paid during each financial year;
- Long-term share-based remuneration instruments granted during each financial year: taken into account on the grant date and at their IFRS grant value.

Remuneration elements taken into account in the denominator: employees continuously present from 1 January to 31 December of each year

In accordance with the principle adopted for the elements of remuneration of executive officers, the elements of remuneration paid (gross annual remuneration) are considered and any free shares are taken into account on the grant date and at their IFRS grant value.

Scope of calculation of ratios

The law applies only to the employees of the French listed company that prepares the corporate governance report (Getlink SE) and not to all employees of the French companies of the Group or of the Group itself.

The Board of Directors considered that the ratio established by taking into account only the employees of the French listed company is of little relevance for Getlink SE, which has very few employees in relation to the total workforce in France. The Board decided to supplement the information provided in accordance with the recommendations of the Afep/Medef Code by disclosing the hypothetical calculation of all French entities including the entities of the Europorte segment and, since this is a binational company, also to publish the ratio including the employees within the scope of the representative activity in the United Kingdom, i.e. Concession employees on the British side.

In the interests of transparency and representativeness, on a voluntary basis, the scope used to determine the ratios has been extended to cover all Group entities (French and foreign Group companies, with the exception of ElecLink). The scope considered is representative of the Getlink Group's workforce and activities in France, both in the Tunnel Concessionaire business and in the Europorte rail freight business.

Presentation of the ratios for the five most recent financial years

This presentation was made in accordance with the terms of the French law no 2019-486 of 22 May 2019 relating to the growth and transformation of companies, known as the "PACTE Law" and the Order no 2019-1234 of 27 November 2019. It may be subject to change in order to ensure that Getlink SE remains compliant, in particular in the event of any subsequent clarifications and official positions that may be published.

Equality ratio: remuneration of executive directors / average remuneration of Group employees

All entities	*** 2015**	**2016**	**2017**	**2018**	**2019**
Chairman and Chief Executive Officer	37	38	42	49	57
Deputy Chief Executive Officer	11	22	28	32	40

Getlink SE	*** 2015**	**2016**	**2017**	**2018**	**2019**
Chairman and Chief Executive Officer	11	7	7	8	9
Deputy Chief Executive Officer	3	4	5	5	6

Equality ratio: remuneration of executive directors / median remuneration of Group employees

All entities	*** 2015**	**2016**	**2017**	**2018**	**2019**
Chairman and Chief Executive Officer	39	41	47	55	64
Deputy Chief Executive Officer	12	24	31	36	44

Getlink SE	*** 2015**	**2016**	**2017**	**2018**	**2019**
Chairman and Chief Executive Officer	11	9	8	9	19
Deputy Chief Executive Officer	3	5	5	6	13

* *Deputy CEO role until 31 March 2015: 2015 ratio calculated on a part of the 2015 financial year.*

The Board of Directors has noted the fairly linear evolution of the ratios due, essentially, to the change in valuation of the LTI plans granted, which has increased significantly beyond the number of shares granted due to the progress of the stock market price of Getlink's ordinary shares. The Board of Directors has taken this evolution into account in the remuneration relating to the executive officers and has rebalanced the remuneration structure accordingly by reducing the LTI portion to a proportion in the order of one-third of the total remuneration.

5.1.4 TOTAL AMOUNT SET ASIDE OR OTHERWISE RECOGNISED BY GETLINK SE AND ITS SUBSIDIARIES TO PAY FOR PENSIONS, RETIREMENT AND OTHER BENEFITS

Jacques Gounon and François Gauthey do not benefit from any specific retirement benefits.

5.2 SUMMARY TABLES OF REMUNERATION PAID OR AWARDED TO EACH EXECUTIVE OFFICER IN RESPECT OF THE 2019 FINANCIAL YEAR

The ordinary General Meeting of 30 April 2020 will be asked to vote on the remuneration elements paid or awarded for the 2019 financial year. These elements were awarded in accordance with the remuneration policy approved by the shareholders at the General Meeting on 18 April 2019.

The variable elements will be paid only after approval of the General Meeting.

The elements of the remuneration due or allocated to the executive officers for the financial year ended 31 December 2019 are set out in the following tables.

5.2.1 REMUNERATION OWED OR AWARDED IN RELATION TO THE 2019 FINANCIAL YEAR TO JACQUES GOUNON, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Elements of remuneration Chairman-CEO	Amount owed (euros)	Amount paid (euros)	Comments
Fixed remuneration	600,000	600,000	Gross annual fixed remuneration set by the Board on 1 April 2018. Unchanged in 2019.
Annual variable remuneration	720,000 (amount due for 2019 and payable in 2020)	690,000 (amount due for 2018 and payable in 2019)	Target: 120% of the gross annual fixed remuneration. Maximum: 120% of the gross annual fixed remuneration. *Annual variable remuneration awarded for the 2018 financial year and paid in the 2019 financial year* The General Meeting of 18 April 2019 approved, in resolution 10, the payment of the sum of €690,000 annual variable remuneration in respect of the 2018 financial year. Consequently, this variable remuneration was paid in 2019. *Annual variable remuneration awarded for the 2019 financial year and payable in 2020* During its meeting on 26 February 2020, the Board, on the recommendation of the Remuneration Committee, evaluated Jacques Gounon's annual variable remuneration for 2019. After noting that the targets had been exceeded and after applying the rule relating to 120% of the fixed remuneration, it decided to cap the annual bonus at €720,000. Criteria: ▪ Net profit (25%): 120% tranche achieved: €216,000 ▪ EBITDA achievement compared to published target EBITDA for 2019 (25%): objective achieved at 99.43%, 95% tranche: €171,000 ▪ Steering of strategy plan in the context of Brexit (25%): objective achieved at 100%: €180,000 ▪ ElecLink: strategy to sell capacity (10%): objective achieved at 100%: €72,000 ▪ Rail traffic (5%): objective achieved at 100%: €36,000 ▪ CSR composite index (10%): objective achieved at 148%, 120% tranche: €86,400 Payment of this remuneration is subject to the approval of the General Meeting.
Multi-annual variable remuneration	n/a		Jacques Gounon did not receive any multi-annual variable remuneration.
Deferred variable remuneration	n/a		Jacques Gounon did not receive any deferred variable remuneration.
Director's remuneration (attendance fees)	51,550 (amount due for 2019)	50,700 (amount paid in 2019)	*Remuneration in respect of the director's term of office granted for the 2019 year* The General Meeting of 18 April 2019 approved, in resolution 12, the remuneration for the office of director in respect of the 2019 financial year. The remuneration breakdown was reviewed by the Board in 2018, on the recommendation of the Remuneration Committee in a way that respects the maximum total amount set by the General Meeting while ensuring that this remuneration is predominantly variable. Allocation criteria: ▪ Fixed portion: €2,400 per month (enhanced for chairs of the Board and its committees) ▪ Variable part proportional to attendance in person: €2,000, with an increase of €500 if it involves crossing a border; reduction to €800 in case of attendance by telephone ▪ Variable part per committee meeting: €850
Exceptional remuneration	n/a	n/a	Jacques Gounon did not receive any exceptional remuneration.

Elements of remuneration Chairman-CEO	Amount owed (euros)	Amount paid (euros)	Comments
Allocation of share options and/or performance shares	1,443,000 (accounting valuation of the instruments granted in respect of the past year)	No amounts paid in respect of 2019	150 preference shares convertible into a maximum of 150,000 ordinary shares subject to performance conditions. 100% subject to performance conditions over three years: ▪ Internal performance condition (50%): economic performance of the Group assessed by reference to the average rate of achievement of the EBITDA objectives announced to the market for the years 2019, 2020 and 2021. ▪ External performance conditions (50%): - TSR (40%): performance of the Getlink SE ordinary share price compared to the performance of the GPR Getlink Index (including dividends) over a period of 3 years. - CSR performance (10%): performance of the CSR composite index target. Maximum potential percentage of share capital: 0.027%. The fair value (€9.62) on the date of allocation of the rights granted under the scheme has been calculated using the Black & Scholes model for the evaluation of non-market performance conditions and the Monte Carlo model for market performance conditions. Authorised by the Combined General Meeting on 18 April 2019 (resolution 18) and granted by decision of the Board on 18 April 2019.
Benefits in kind	11,400	11,400	Jacques Gounon receives an allowance for the use of his personal vehicle in accordance with the policy in force in the organisation.
Payment linked to taking up or leaving a position	n/a	n/a	The company has made no commitment regarding the ending of the role as an executive officer.
Non-competition payment	n/a	n/a	There is no non-competition clause. Jacques Gounon does not have a non-competition agreement.
Supplementary pension plan	No amount is owed for the period	No amounts paid in respect of 2019	Jacques Gounon benefits from the same supplementary pension plan offered senior manager above the B remuneration bracket. This plan, whose beneficiaries include people other than the Group's executive officers, is not a defined benefit plan. It is a defined contribution plan, as defined by article 83 of the French General Tax Code and article L. 242-1 of the French Social Security Code. In 2019, the employer contributions for this supplementary pension scheme amounted to €12,968.
Death, disability and health insurance schemes			Jacques Gounon benefits from the company's death, disability and health insurance scheme.

Remuneration summary: Jacques Gounon

	2019		2018		2017	
Gross amounts in euros	owed[1]	paid[2]	owed[1]	paid[2]	owed[1]	paid[2]
Fixed remuneration	600,000	600,000	575,000	575,010[3]	500,000	499,305[3]
Annual variable remuneration	720,000	690,000	690,000	600,000	600,000	550,413[3]
Multi-annual variable remuneration	n/a	n/a	n/a	n/a	n/a	n/a
Exceptional remuneration	n/a	n/a	n/a	n/a	n/a	n/a
Board remuneration	51,550	50,700	57,250	56,405[4]	72,050	50,435[4]
Benefits in kind	11,400	11,400	11,352	11,352	10,944	10,944
Total	**1,382,950**	**1,352,100**	**1,333,602**	**1,242,767**	**1,182,994**	**1,111,097**

1 *Sums owed for the year.*
2 *Amounts paid during the year. The annual variable remuneration awarded for a financial year is paid in the course of the following financial year. Thus, the variable remuneration paid in 2019 corresponds to variable remuneration owed for the 2018 financial year.*
3 *Sums paid in whole or in part in sterling, the euro value of which, restated above at the exchange rate used for the income statement, reflects movements in exchange rates during the year. Sums actually paid, based on the exchange rate effective at the time, were equivalent to the sums owed.*
4 *After applying deductions at source.*

Multi-annual variable remuneration for Jacques Gounon

	2019	2018	2017
Jacques Gounon	n/a	n/a	n/a

Summary of remuneration, options and shares: Jacques Gounon

Gross amounts in euros	2019	2018
Remuneration owed for the year	1,382,950	1,333,602
Value of multi-annual variable remuneration attributed during the year	n/a	n/a
Value of options granted during the year	n/a	n/a
Value of preference and performance shares granted during the year	1,443,000	1,153,500
Total	**2,825,950**	**2,487,102**

Shares subject to performance conditions granted to Jacques Gounon during the year

	2019 plan
Number of preference shares/free shares subject to performance conditions allocated during the period	150
Value of shares based on the method used for the consolidated financial statements	€9,62* per share subject to performance conditions, i.e. €1,443,000 for 150,000 ordinary shares
Vesting date	April 2020
End of lock-in period	April 2022
Performance condition	section 5.1.2.a of this Universal Registration Document

* *The fair value (€9.62) on the date of allocation of the rights granted under the scheme has been calculated using the Black & Scholes model for the evaluation of non-market performance conditions and the Monte Carlo model for market performance conditions.*

Share options granted during the year to Jacques Gounon by the issuer and by any Group company

Plan date and number	2019-2013	2012	2011	2010
Type of option (existing or newly issued shares)	n/a	purchase	purchase	purchase
Value of options based on the method used for the consolidated financial statements	n/a	€2.13	€2.69	€2.02
Number of options granted during the year	n/a	137,000	130,000	116,000
Exercise price	n/a	€6.33	€7.52	€6.42
Exercise period	n/a	July 2016 -July 2022	July 2015 -July 2021	July 2014 -July 2020

The terms and exercise conditions for the 2010, 2011 and 2012 share option plans are given in note E.5.1 to the consolidated accounts in section 2.2.1 of this Universal Registration Document.

Share options exercised by Jacques Gounon during the year

Plan date and number	2012 plan	2010 plan
Value of options based on the method used for the consolidated financial statements (€)	2.13	2.02
Number of options exercised during the year	24,470	10,000
Exercise price (€)	6.33	6.42
Exercise date	02/01/2019	10/12/2019

Three share option plans are in place. In accordance with the authority conferred by the Combined General Meeting of 26 May 2010, the Board of Directors proceeded to grant options on 16 July 2010 (2010 plan), on 21 July 2011 (2011 plan) and on 20 July 2012 (2012 plan). All options were subject to external and internal performance conditions (EBITDA, dividends and share price):

- For the 2010 plan, all performance conditions were met and so 100% of the options were acquired.
- For the 2011 plan, half the performance conditions were met and so 50% of the options were acquired.
- For the 2012 plan, 75% of the performance conditions were met and so 75% of the options were acquired.

Shares subject to performance conditions and preference shares available during the financial year for Jacques Gounon

Plan date and number	2015 preference shares C	2016 performance shares
Number of shares reaching the end of the lock-in period during the year	34,584	76,800
Vesting terms	TSR / EBITDA / CSR	TSR / EBITDA / CSR
Year of grant	2015	2016

As set out in section 5.1.2.a of this Universal Registration Document, each C preference share of the 2015 plan was converted into 262 ordinary shares in 2019. Jacques Gounon received 34,584 ordinary shares on the conversion of the C preference shares. At the end of the three-year vesting period of the performance shares in the 2016 plan, the overall weighting linked to the achievement of the performance conditions was 0.64. Jacques Gounon received 76,800 ordinary shares under the 2016 plan.

Employment contract: Jacques Gounon

	Employment contract with Getlink SE		**Supplementary pension scheme**		**Payments or other benefits due or liable to be due as a result of termination of duties or change of role**		**Payment in respect of a non-competition clause**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
2007 to date		X	X			X		X

5.2.2 REMUNERATION OWED OR AWARDED IN RELATION TO THE 2019 FINANCIAL YEAR TO FRANÇOIS GAUTHEY, DEPUTY CHIEF EXECUTIVE OFFICER

Elements of remuneration Deputy Chief Executive Officer	**Amount due for 2019 (euros)**	**Amount paid in 2019 (euros)**	**Comments**
Fixed remuneration	400,000	406,667	Gross annual fixed remuneration set by the Board at €400,000 on 1st May 2018 and unchanged in 2019. In 2019, François Gauthey received remuneration of €406,667, of which €6,667 related to 2018.
Annual variable remuneration	221,900 (amount due for 2019 and payable in 2020)	243,266 (amount due for 2018 and paid in 2019)	Target: 65% of the gross annual fixed remuneration. *Annual variable remuneration awarded for the 2018 financial year and paid in the 2019 financial year* The General Meeting of 18 April 2019 approved, in resolution 11, the payment of the sum of €243,266 annual variable remuneration in respect of the 2018 financial year. Consequently, this variable remuneration was paid in 2019. *Annual variable remuneration awarded for the 2019 financial year and payable in 2020* During its meeting on 26 February 2020, and on the recommendation of the Remuneration Committee, the Board of Directors evaluated the variable annual remuneration of François Gauthey for the 2019 financial year at €221,900. Criteria: ▪ EBITDA achievement compared to published target EBITDA for 2019 (25%): objective achieved at 99.43%, 95% tranche: €61,750 ▪ Operational cash flow (25%): objective achieved at 102.72%: €69,550 ▪ ElecLink (10%): objective achieved at 25%: €6,500 ▪ Brexit: implementation of the investment strategy (10%): objective achieved at 100%: €26,000 ▪ Eurotunnel: quality of service (20%): objective achieved at 69%: €36,000 ▪ Social performance: (10%): objective achieved at 85%: €22,100
Multi-annual variable remuneration	n/a	n/a	François Gauthey did not receive any multi-annual variable remuneration.
Deferred variable remuneration	n/a	n/a	François Gauthey did not receive any deferred variable remuneration.
Director’s remuneration	n/a	n/a	François Gauthey is not a member of the Getlink SE Board and therefore he does not receive any director’s remuneration.
Exceptional remuneration	n/a	n/a	François Gauthey did not receive any exceptional remuneration.
Allocation of share options and/or performance shares	1,298,700 (accounting valuation of the instruments granted in respect of the past year)	No amounts paid in respect of 2019	135 preference shares convertible into a maximum of 135,000 ordinary shares subject to performance conditions. 100% subject to performance conditions over three years: ▪ Internal performance condition (50%): economic performance of the Group assessed by reference to the average rate of achievement of the EBITDA objectives announced to the market for the years 2019, 2020 and 2021. ▪ External performance conditions (50%): - TSR (40%): performance of the Getlink SE ordinary share price compared to the performance of the GPR Getlink Index (including dividends) over a period of 3 years. - CSR performance (10%): performance of the CSR composite index target. Maximum potential percentage of share capital: 0.024%. The fair value (€9.62) on the date of allocation of the rights granted under the scheme has been calculated using the Black & Scholes model for the evaluation of non-market performance conditions and the Monte Carlo model for market performance conditions. Authorised by the Combined General Meeting on 18 April 2019 (resolution 18) and granted by decision of the Board on 18 April 2019.
Benefits in kind	2,837	2,837	François Gauthey has a company car which represents a benefit in kind worth €2,837.
Payment linked to taking up or leaving a position	n/a	n/a	François Gauthey received no payment linked to his taking up his position. He does not have the benefit of any severance payments.

Elements of remuneration Deputy Chief Executive Officer	Amount due for 2019 (euros)	Amount paid in 2019 (euros)	Comments
Non-competition payment	n/a	n/a	François Gauthey does not benefit from any non-competition agreement payment in relation to his office.
Supplementary pension plan	No amount is owed for the period	No amounts paid in respect of 2019	François Gauthey has benefitted from the same supplementary pension plan offered to all senior managers above the B remuneration bracket. This plan, whose beneficiaries include people other than the Group's executive officers, is not a defined benefit plan. It is a defined contribution plan, as defined by article 83 of the French General Tax Code and article L. 242-1 of the French Social Security Code. In 2019, the employer contributions for this supplementary pension scheme amounted to €12,968.
Death, disability and health insurance schemes			François Gauthey has benefitted from the company's death, disability and health insurance scheme.

No service provision agreement has been concluded with the executive officers.

Remuneration summary: François Gauthey

	2019		2018		2017	
Gross amounts in euros	owed[1]	paid[2]	owed[1]	paid[2]	owed[1]	paid[2]
Fixed remuneration	400,000	406,667[4]	396,667	390,000	385,000	401,667[3]
Annual variable remuneration	221,900	243,266	243,266	253,500	253,500	161,687
Multi-annual variable remuneration	n/a	n/a	n/a	n/a	n/a	n/a
Exceptional remuneration	n/a	n/a	n/a	n/a	n/a	n/a
Board remuneration	n/a	n/a	n/a	n/a	n/a	n/a
Benefits in kind	2,837	2,837	2,861	2,861	2,909	2,909
Total	**624,737**	**652,770**	**642,794**	**646,361**	**641,409**	**566,263**

1 *Sums owed for the period.*
2 *Sums paid during the financial year. The variable annual remuneration allocated during the year are paid during the following financial year, for example the variable annual remuneration paid in 2019 relates to the sums allocated for the 2018 financial year.*
3 *Including €16,667 due from 2016.*
4 *Including €6,667 due from 2018.*

Multi-annual variable remuneration for François Gauthey

	2019	2018	2017
François Gauthey	n/a	n/a	n/a

Summary of remuneration, options and shares: François Gauthey

Gross amounts in euros	2019	2018
Remuneration owed for the year	624,737	642,794
Value of multi-annual variable remuneration attributed during the year	–	–
Value of options granted during the year	–	–
Value of preference and performance shares granted during the year	1,298,700	922,800
Total	**1,923,437**	**1,565,594**

Performance condition shares and convertible preference shares into ordinary shares granted during the year to François Gauthey by the issuer and by any Group company

	2019 plan
Number of preference shares/free shares subject to performance conditions allocated during the period	135
Value of shares based on the method used for the consolidated financial statements	€9.62* per share subject to performance conditions, i.e. €1,298,700 for 135,000 ordinary shares
Vesting date	April 2020
End of lock-in period	April 2022
Performance condition	section 5.1.2.a of this Universal Registration Document

* *The fair value (€9.62) on the date of allocation of the rights granted under the scheme has been calculated using the Black & Scholes model for the evaluation of non-market performance conditions and the Monte Carlo model for market performance conditions.*

Shares subject to performance conditions and preference shares (convertible into ordinary shares) becoming available for François Gauthey during the financial year

Plan date and number	2016 performance shares
Number of shares reaching the end of the lock-in period during the year	70,400
Vesting terms	TSR / EBITDA / CSR
Year of grant	2016

At the end of the three-year vesting period for the performance shares under the 2016 plan, the Board stated that the overall weighting linked to the achievement of the performance conditions was 0.64. François Gauthey received 70,400 ordinary shares under the 2016 plan.

Employment contract: François Gauthey

	Employment contract with Getlink SE		Supplementary pension scheme		Payments or other benefits due or liable to be due as a result of termination of duties or change of role		Payment in respect of a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
1 May 2016 to date		X	X			X		X

François Gauthey does not have the benefit of a contract of employment in his capacity as Deputy Chief Executive Officer. When he was appointed as an executive officer on 1 May 2016, his employment contract as Chief Financial Officer was suspended.

5.3 SHARE OPTION PLANS/ALLOCATIONS OF PREFERENCE SHARES: PAST ALLOCATIONS TO EXECUTIVE OFFICERS

	SHARE OPTIONS			PREFERENCE SHARES		PERFORMANCE CONDITION SHARES		PREFERENCE SHARES	
Past allocations	2010	2011	2012*	2014 B	2015 C	2016	2017	2018 D	2019 E
General Meeting date	26/05/2010	26/05/2010	26/05/2010	29/04/2014	29/04/2015	27/04/2016	27/04/2017	18/04/2018	18/04/2019
Date of Board meeting	16/07/2010	21/07/2011	20/07/2012	29/04/2014	29/04/2015	20/10/2016	15/06/2017	18/04/2018	18/04/2019
Total number of recipients	57	56	57	36	63	60	55	53	55
Starting date for exercising options	July 2014	July 2015	July 2016	April 2018	April 2019	Oct. 2019	June 2020	April 2021	April 2022
Expiry date	July 2020	July 2021	July 2022	April 2018	April 2019	Oct. 2019	June 2020	April 2021	April 2022
Subscription or purchase price	€6.42	€7.52	€6.33	n/a	n/a	n/a	n/a	n/a	n/a
Forms of exercising right (when the plan consists of several brackets)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total number of shares which can be subscribed or purchased, the number of which can be subscribed or purchased		3,900,000		1 500 000	1 000 000	1 200 000	1 200 000	1,500	1,500
EXECUTIVE OFFICERS									
J. Gounon, Chairman-CEO									
Number allocated	116,000	130,000	137,000	30	200	120,000	120,000	150	150
Number of subscribed or received ordinary shares at 26 February 2020	58,000	32,500	53,545	132,900	34,584	76,800	–	–	–
Cumulative number of subscription or purchase shares cancelled or expired	–	65,000	34,250	17,100	65,416	43,200	–	–	–
Subscription or purchase of share options remaining at 26 February 2020	58,000	32,500	49,205	–	–	–	120,000	150	150
F. Gauthey, Deputy CEO									
Number allocated	n/a	n/a	n/a	n/a	n/a	110,000	105,000	120	135
Number of subscribed or received ordinary shares at 26 February 2020	n/a	n/a	n/a	n/a	n/a	70,400	–	–	–
Cumulative number of subscription or purchase shares cancelled or expired	n/a	n/a	n/a	n/a	n/a	39,600	–	–	–
Subscription or purchase of share options remaining at 26 February 2020	n/a	n/a	n/a	n/a	n/a	–	105,000	120	135

* *On 2 January 2019, Jacques Gounon exercised 24,470 options in the 2012 plan. On 10 December 2019, Jacques Gounon exercised 10,000 options in the 2010 plan.*

History of past plans: performance levels

Available plans	Type	Level of performance
2010	Options	100%
2011	Options	50%
2012	Options	75%
2014	B preference shares	89%
2015	C preference shares	
	Level of allocation of preference shares: 66%	34%
2016	Performance shares	64%

Plans not available	Type	Level of performance
2017	Performance shares	n/a
2018	D preference shares	n/a
2019	E preference shares	n/a

The characteristics and performance conditions of the class C, D and E preference shares are set out in section 8.3.2 of this Universal Registration Document. The characteristics and exercise conditions of the share option plans for 2010, 2011 and 2012 are set out in note E.5.1 to the consolidated financial statements in section 2.2.1 of this Universal Registration Document.

History of past plans: increasing the number of female beneficiaries

The Board of Directors is committed to increasing the number of women receiving long-term equity remuneration.

Plan (year)	Number of beneficiaries	Number of women	Percentage of women
2015	63	5	7.9%
2016	60	5	8.3%
2017	55	4	7.3%
2018	53	5	9.4%
2019	55	10	18.2%

5.4 SENIOR MANAGEMENT REMUNERATION

As stated in chapter 6 of this Universal Registration Document, Getlink's remuneration policy is based on fair and transparent remuneration to ensure complete consistency between individual goals and business objectives. Getlink's strategy is also to share its success with its team members in order to involve them in the Group's growth. The Group's remuneration policy aims to promote the achievement of economic, social and market performance, enhance the growth of skills, meet and outperform objectives and increase the commitment of team members and managers in the long term, while strengthening employee ownership.

The members of the Remuneration Committee ensure consistency between the policy applied to executive officers and that applied to the senior managers of the Group. The members of the Remuneration Committee also examine the alignment of the managers' remuneration principles.

The remuneration of the chief operating officers, which is determined by general management, is made up of fixed annual remuneration supplemented by a motivational variable part, the criteria for which are largely based on the Group's economic performance, as is the case with the variable remuneration of the Chief Executive Officer and the Deputy Chief Executive Officer. The variable financial part is accompanied by qualitative criteria to assess individual performance.

The members of the executive committee also receive remuneration made up of a fixed part, the amount of which is proportional to each one's responsibilities, supplemented by a variable part whose quantitative criteria depend on the Group's results in order to improve the sense of solidarity.

Table showing the share subscription or purchase options granted to the top ten employees who are not executive officers and the options exercised by them

	Total number of options/ shares	Weighted average price (€)	2010 plan	2011 plan	2012 plan
Options/shares granted during the year, by the issuer and any other company within the scope of the allocation of options, to the ten employees within the said entities with the greatest number of options/shares granted (overall data)	–	–	–	–	–
Options/shares exercised by the ten employees within the said entities with the greatest number of options/shares bought or subscribed (overall data)	191,050	14.24	30,500	63,300	97,250

The remuneration of members of the Group's executive committee (excluding Board members) in 2018 and 2019 is given in note E.2 to the consolidated financial statements in section 2.2.1 of this Universal Registration Document.

CORPORATE SOCIAL RESPONSIBILITY

2019 SOCIAL INDICATORS

3,539
employees in the Group at 31 December 2019
(+0.6% vs 2018)

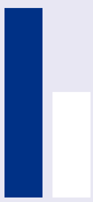
236
recruitments
of which 79% on permanent contracts and 69% from the local employment areas

341
young people
on traineeship or on apprenticeship contracts and trainees

WORKFORCE BY SUBSIDIARY

2,661 EUROTUNNEL
828 EUROPORTE
20 GETLINK
19 ELECLINK
11 CIFFCO

WORKFORCE BY COUNTRY



2,580 FRANCE (73%)
959 UNITED KINGDOM (27%)

TRAINING

98,610
hours of training for employees

WORKPLACE SAFETY IN 2019

3.1
Frequency rate*
of lost-time work-related accidents, a continuous annual improvement since 2015 (11.0)

0.3
Severity rate**
of work-related accidents (stable vs 2018)

* Number of work-related accidents requiring time off work x 1,000,000/number of hours worked.
** Number of days off work x 1,000/number of hours worked.

2019 ENVIRONMENTAL INDICATORS

CO2

-13%
greenhouse gas emissions of the Group (vs 2018), notably due to the implementation of a *Blue for Business* contract which guarantees zero-carbon electricity in the United Kingdom.

Reminder: carbon emissions generated by rail freight are **99 times lower** than those of air transport and **8 times lower** than those of ferries. Getlink features amongst the companies best prepared for the +2°C goal according to the barometer based on the NEC (Net Environmental Contribution) tool and published by *La Tribune*.

94%
the waste recycling rate
in France in 2019

TK'Blue

Europorte, already certified with the TK'Blue label, has been awarded the 2019 eco-responsible transport trophy from TK'Blue, the international labelling and rating agency for transportation.

SOCIALLY RESPONSIBLE INVESTMENT (SRI)

Evaluated for its non-financial performances by several rating agencies, Getlink in 2020 is listed in the main benchmark SRI indices, including FTSE4Good, EURO STOXX Sustainability, MSCI Europe ESG Leaders, MSCI World ESG Leaders Net Return, Gaïa and Low Carbon 100 Europe.

SAMPHIRE HOE

14th Green Flag awarded in July 2019 to Samphire Hoe, the Group's nature reserve created at the foot of the White Cliffs of Dover during the construction of the Tunnel, which contributes to raising stakeholder awareness about the challenge of preserving biodiversity.

6 CORPORATE SOCIAL RESPONSIBILITY

6.1 MATERIAL CHALLENGES **221**

6.1.1 Dialogue with stakeholders – emphasis on material challenges 221
6.1.2 Overlap between material challenges and the main CSR risks 222

6.2 ACTIVE GOVERNANCE FOR SUSTAINABLE GROWTH **224**

6.3 GOVERNANCE AND RELIABILITY OF OPERATIONS **225**

6.3.1 Traffic flow within the terminal and in the Tunnel 225
6.3.2 The performance and reliability of rolling stock, equipment and infrastructure: a crucial priority for the Group 225
6.3.3 Protecting the information system and data 225
6.3.4 Development of innovation 225
6.3.5 Safety and security of infrastructure 226
6.3.6 CSR Governance 227
6.3.7 Increasing complexity of the regulatory landscape 227
6.3.8 Responsible purchasing (Procurement) 227
6.3.9 Governance and business ethics 227
6.3.10 Development of the Group's culture 228

6.4 CUSTOMER SERVICE: A PRIORITY AND STRATEGIC REQUIREMENT **228**

6.4.1 Development of Intra-European activity 228
6.4.2 Safety and security of freight and passenger transport 228
6.4.3 Quality of service and customer experience 228

6.5 EMPLOYEE WELL-BEING AND SOCIAL PERFORMANCE: ENSURING EMPLOYEE WELL-BEING AND PROFESSIONAL DEVELOPMENT FOR IMPROVED SOCIAL PERFORMANCE **229**

6.5.1 Attractiveness and career management: improving appeal to attract and retain talent 229
6.5.2 Modernisation of social dialogue (Labour relations) 230
6.5.3 Gender equality 230
6.5.4 Employee health and safety: protecting employee health and safety by limiting the risk of accidents 231
6.5.5 Well-being at work 232

6.6 ENVIRONMENTAL PROTECTION **233**

6.6.1 Energy transition and the fight against climate change 233
6.6.2 Preservation of natural environments (protecting natural areas) 236
6.6.3 Waste management and the circular economy 237

6.7 COMMUNITY AND LOCAL DEVELOPMENT: CREATING A GREATER LOCAL IMPACT **238**

6.7.1 Dialogue with States, local (public) authorities and regulators 238
6.7.2 Territorial anchorage (Local impact) 238

6.8 METHODOLOGY **239**

6.9 GRI 4 CROSS-REFERENCE TABLE **241**

6.10 LIST OF NON-FINANCIAL INDICATORS **245**

6.10.1 Employment 245
6.10.2 Nature 247

6.11 REPORT BY THE INDEPENDENT THIRD PARTY ON THE NON-FINANCIAL PERFORMANCE STATEMENT INCLUDED IN THE GROUP MANAGEMENT REPORT **248**

NON-FINANCIAL PERFORMANCE STATEMENT

As an innovative railway company and responsible infrastructure manager, Getlink has been committed from the outset to a policy of social responsibility designed to reconcile financial and non-financial performance along principles of continuous improvement.

The Group's CSR policy aligns with respect for fundamental rights as defined in major international principles.

With the objective of transparency and openness, particularly towards investors and shareholders, Getlink regularly responds to requests concerning its non-financial performance. That performance is recognised and rewarded by being included in the most significant international CSR indices, including at the end of 2019:

- The STOXX Global ESG Leaders indices, which rank leading international companies in environmental, social policy and governance issues, in particular EURO STOXX Sustainability and Stoxx Europe Sustainability;
- The Gaia Index, the mid-cap SRI index developed by IDMidCaps and EthiFinance;
- The MSCI ESG indices, in particular MSCI Europe ESG Leaders and MSCI World ESG Leaders Net Return;
- The FTSE4Good indices, which measure the performance of companies with outstanding commitment to environmental, social and governance issues;
- The ISS ESG Prime label;
- Euronext Low Carbon 100 Europe®: In December 2015, Getlink joined the new version of the Low Carbon 100 Europe® index, which measures the performance of the 100 largest European companies with the lowest CO_2 emissions in their respective sectors. The selection is the result of an in-depth and relevant assessment of each company's carbon footprint and is supported by a scientific committee composed of experts, NGOs, public partners and the financial sectors.

The Group also heeds the DJSI (Dow Jones Sustainability Index) and the CDP.

This chapter 6 comprises the aspects that make up the non-financial performance statement prepared by the Board of Directors on 26 February 2020 on the basis of the Order of 19 July 2017 and the Decree of 9 August 2017. This non-financial performance statement, which is set out in detail in the table of cross-references annexed to this Universal Registration Document, includes:

- The presentation of the business model;
- An analysis of the main CSR risks;
- The policies applied and due diligence procedures;
- The results of the policies and performance indicators.

Getlink is a key player in transport infrastructures and international trade and a leader in eco-responsible transport. Getlink has a long-term commitment to serve the public in the transport and infrastructure management industries to benefit all its stakeholders: customers, employees, suppliers, shareholders, and the community and so on. The Getlink business model is presented in section 1.1.2 of this Universal Registration Document, with an illustration on page IV.

By making CSR a key part of the strategy and all the business's activities, Getlink can establish a dialogue with its stakeholders, respond to their expectations and therefore reinforce its overall performance. By contributing to sustainable development challenges, the business accepts its share of responsibility in accordance with public policies.

Getlink has based its CSR policy on an understanding of the Group's material challenges, taking its business sector, size, location and the concerns of its customers, its employees and other stakeholders into consideration. The Group organises its reporting according to its material challenges and within the framework of the fourth generation of the Global Reporting Initiative (GRI) reporting guidelines (section 6.9).

6.1 MATERIAL CHALLENGES

6.1.1 DIALOGUE WITH STAKEHOLDERS – EMPHASIS ON MATERIAL CHALLENGES

Getlink strives to listen to the expectations of its stakeholders (team members, customers, suppliers, shareholders, and community etc) in order to adapt and respond to the Group's transformation challenges against the backdrop of a constantly changing environment.

From 2015 onwards, Getlink has prepared a materiality analysis to identify and rank the Group's material challenges, based on its business activities and its stakeholders' expectations.

In 2019, mindful of ongoing transformation in society and rapid changes to internal and external stakeholder expectations, the Group updated its materiality analysis.

This analysis was conducted in three main stages by an independent third party:

Stage 1: Diagnosis and analysis: 57 challenges were identified through an internal and external document analysis and an analysis of non-financial communications and trends in terms of reporting challenges and opportunities within the transport and infrastructure management sector.

Stage 2: Identifying, adapting and scoring challenges by stakeholders; through interviews conducted by an independent third party. 21 stakeholders, located in France and the United Kingdom, were questioned. These were experts in strategic topics as well as operational workers from the industry. The external stakeholders who were interviewed are representative of the Getlink ecosystem: its main business partners, shareholders or suppliers. These interviews helped identify and list 23 material challenges for the Group.

Stage 3: Ranking challenges: to help understand and adopt the challenges, Getlink wanted to present its materiality analysis in the form of a materiality matrix (illustration page V). This matrix reflects the importance of each material challenge for the respondent stakeholders and the impact on the Group's business. To ensure consistency, the impact analysis was conducted based on the methodology developed for the Group for its risk analysis (ranking scale from 1 to 6 very low to major) to classify the impact and probability. The impact of each challenge is determined based on the financial impact, the impact on reputation and the probability of risk associated with the challenge, based on the rating from the Group's risk analysis.

The 23 material challenges were grouped into five themes presented in the table below in section 6.1.2 and three levels of priority for the Group: priority (9 challenges), important (10 challenges) and moderate (4 challenges).

Some challenges remain intangible and are subject to high expectations by stakeholders such as employee health and safety or the safety and security of infrastructure, transport, freight and passengers. Various risk mitigation systems associated with these challenges have been implemented, but their potential impact on the Group remains significant. Other challenges have come to the fore under the pressure of external stakeholders or major current affairs. The increasing complexity of the regulatory landscape reflects uncertainties linked to Brexit. Quality of service and customer experience are increasingly pressing. Energy transition and combating climate change are crucial challenges for stakeholders, and cover several aspects: energy consumption and the use of renewable energy. The challenge of environmental protection also includes protecting natural areas, waste management and the circular economy. Faced with the challenges of renewing its workforce, recruiting experts in industries under pressure, and despite a dynamic policy in recent years, themes linked to human resources have thus been revised upwards. This is particularly the case for attractiveness and career management and the need to modernise social dialogue (labour relations). Gender equality is also a major challenge. This development carries high expectations from both external and internal stakeholders. The Group's desire to be a regional leader in several areas (local employment, community and education, helping to develop local start-ups) underlines the importance of a local foothold. In relation with these different challenges, the need for constructive dialogue with States, local public authorities and regulators is also reinforced.

6.1.2 OVERLAP BETWEEN MATERIAL CHALLENGES AND THE MAIN CSR RISKS

Getlink compared material challenges identified in this way with the main CSR risks, identified as part of the Group's annual risk review, which are presented in chapter 3 of this Universal Registration Document. For each risk, this review considered its potential impact, its probability of occurrence and the associated level of control. The most significant specific risks identified are those considered to be most critical or to have the highest net materiality. The methodology for identifying and ranking risks is set out in section 6.1.1 of this Universal Registration Document.

This cross-analysis of the material challenges and the principal non-financial risks highlights different priority workstreams that relate directly to Getlink's core business. The most significant risks are identified in the table below by this symbol and presented in chapter 3 of this Universal Registration Document.

Moreover, each time that a material challenge is covered by a significant risk identified in chapter 3 of this Universal Registration Document and the mitigation measures and actions deployed are explained therein a reference is provided to the chapter in question.

Moreover, this year Getlink also identified 10 Sustainable Development Goals (SDG) that best reflect its most material challenges out of the 17 SDGs defined by the UN for the 2015-2030 period. These elements - combined with the materiality analysis - will supplement the updating of the Group's CSR strategy in 2020 and will drive performance. These 10 SDGs, compared with the Group's material challenges, are presented in this Universal Registration Document (page VI) and referred to in the text.

Areas	Material challenges	Risks
I. Governance and reliability of operations	Traffic flow within the terminal and in the Tunnel (section 6.3.1)	- Migrant intrusion and disruption to operations - Inadequate size of terminals and congestion - Exceptional weather and sanitary conditions - Capacity and planning - Shuttles - Border controls affecting traffic flows
	Performance and reliability of rolling stock, equipment and infrastructure (section 6.3.2)	- Infrastructure and/or rolling stock failure - Major fire in the Tunnel
	Protecting the information system and data (section 6.3.3)	- Non-compliance with obligations linked to protection of personal data - Cyber attacks - External network outage: power, telecommunications - Data alteration/destruction
	Development of innovation (section 6.3.4)	- Capacity to manage innovative projects
	Safety and security of infrastructure (section 6.3.5)	- Rail collision/derailment/accident on the national rail network - Major fire in the Tunnel - Infrastructure and/or rolling stock failure - Terrorist threats or attacks targeting the Fixed Link

Areas	Material challenges	Risks
	CSR governance (section 6.3.6)	- Non-compliance with ethical rules - Unreliable CSR information - Non-compliance with good corporate governance rules - Non-compliance with the rules established by the financial markets authorities/Non-compliance with French Monetary and Financial Code
	Increasing complexity of the regulatory landscape (section 6.3.7)	- Contractual conditions/ElecLink supplier conditions - Risks relating to the legal framework of Getlink's business
	Responsible purchasing (procurement) (section 6.3.8)	- Corruption - Quality of products and services procured - Non-compliance with ethical rules
	Governance and business ethics (section 6.3.9)	- Corruption and non-compliance with anti-corruption regulations - Non-compliance with ethical rules - Disclosure of sensitive information - Internal Group fraud
	Development of the Group's culture (section 6.3.10)	- n/a
II. Customer service	Development of intra-European activity (section 6.4.1)	- Questioning of contract clauses/supplier disputes - Competition instability – Truck Shuttles - Market contraction and competitor pressure
	Safety and security of freight and passenger transport (section 6.4.2)	- Rail collision/derailment/accident - Major fire in the Tunnel - Terrorist threats or attacks targeting the Fixed Link
	Quality of service and customer experience (section 6.4.3)	- Poor complaint management (EPF) - Concession client disputes - Customers not accepting pricing terms
III. Employee well-being and social performance	Attractiveness and career management (section 6.5.1)	- Difficulty in recruiting for specialist roles - Lack of resources to meet operational needs - Lack of skills development - Renewing the workforce
	Modernisation of social dialogue (labour relations) (section 6.5.2)	- Strikes and labour movements - Sub-contractor strikes - Failure to comply with labour law/employment law
	Gender equality (section 6.5.3)	- n/a
	Employee health and safety (section 6.5.4)	- Serious employee and sub-contractor accidents (bodily injury, loss of life) - Occupational diseases - Damage linked to handling hazardous materials
	Well-being at work (section 6.5.5)	- Absenteeism - Harassment - Stress
IV. Environmental protection	Energy transition and the fight against climate change (section 6.6.1)	- Air pollution, GHG emissions - Exceptional weather and sanitary conditions
	Preservation of natural environments (protecting natural areas) (section 6.6.2)	- n/a
	Waste management and the circular economy (section 6.6.3)	- n/a
IV. Community and local development	Dialogue with States, local (public) authorities and regulators (section 6.7.1)	- n/a
	Territorial anchorage (local impact) (section 6.7.2)	- n/a

6.2 ACTIVE GOVERNANCE FOR SUSTAINABLE GROWTH

From the outset, the company's corporate governance has been underpinned by strong values which ensure cohesion and guarantee its future and development. The Group's management bodies are presented in chapter 4 of this Universal Registration Document.

Skills relating to economic, environmental and social impacts

The Group's strategic CSR commitments and their implementation are presented to the Corporate Committee and the Board of Directors.

The composition of the Board of Directors reflects the commitment to diversity and complementary skills to benefit corporate strategy. Board members and members of specialised committees are selected based on a skills matrix (presented in chapter 4 of this Universal Registration Document) which can be used to identify recognition of skills relating to economic, environmental and social impacts through "CSR governance", "human resources" and "risk management" criteria. Specifically, in terms of the CSR skills of the current board members:

- Patricia Hewitt worked for Age Concern (the largest charity in Great Britain working with the elderly), and then she acted as Secretary of State for Trade and Industry and as Minister for Women from 2001 to 2005, before being Secretary of State for Health from 2005 to 2007.
- Bertrand Badré is a member of The One Planet Lab, a consultative group steered by the French government to contribute to the One Planet Summits proposing novel solutions for international cooperation. He was Chief Financial Officer at the World Bank and has represented the organisation at the G7, G20 and the Council of Financial Stability. Bertrand Badré has contributed significantly to the World Bank's discussions on development finance. Bertrand Badré is known for his commitment to implementing sustainable development goals through greater involvement of the private sector. He created the Blue like an Orange Sustainable Capital investment fund, which targets investment in innovative economic projects in developing countries.
- Philippe Vasseur was CEO of "Réseau Alliances", which brings together 260 companies in the Hauts-de-France region committed to social and environmental responsibility. Since 2017, he has been CEO of Mission REV3, an organisation to promote the third industrial revolution in Hauts-de-France.
- Tim Yeo was chairman of the Energy and Climate Change Select Committee from 1983 to 2015; he was Minister for the Environment and Countryside from 1990 to 1994, then Shadow Cabinet member between 1998 and 2005, notably for Trade and Industry and the Environment and Transport. Tim Yeo was chairman of the Sheffield University Energy 2050 Industrial Advisory Board. He was also chairman of AFC Energy PLC from 2006 to 2017 and Founding President of "Children's Trust", a charity organisation which manages a hospital for disabled children.
- Employees are represented on the Getlink SE Board of Directors by two salaried directors: Stéphane Sauvage and Philippe Vanderbec.

The Audit Committee monitors the effectiveness of the internal control and risk management systems. It takes note of the risk mapping including CSR risks and ensures that these systems are well-developed and controlled. It examines how they are deployed and the implementation of corrective actions in the event of significant shortcomings or anomalies.

The Corporate Committee is responsible for regularly examining the performance of the Group in environmental matters and the strategic initiatives designed to promote environmental management, protect natural resources and limit the impact of the Group's activities on the environment.

In 2015, the Nominations Committee decided to create a stable, relevant and balanced CSR performance composite index: the Group asked an external consultancy firm to create a benchmark for the business practices of CAC 40 companies, and then conducted a qualitative study with its internal and external stakeholders. This initiative helped identify four themes directly linked to the Group's activities, which form part of the most material challenges: health/safety, labour relations, greenhouse gas emissions and customer satisfaction. For each of these areas, indicators and targets were established so as to calculate an achievement rate with respect to the composite index, according to the objectives set for each area.

In 2019, the Group underlined its commitment to CSR by creating the role of Group CSR Director within the executive committee; this department will work to strengthen the overall approach, its clarity and impact by aiming to deal with all CSR areas in relation to ISO 26000. The Group will work to improve its actual and perceived CSR performance.

The Group's CSR commitment: a key part of its corporate strategy

Over the years, the Group's CSR commitment has become a key part of its corporate strategy: executives, through performance share grant plans, and the Chairman and Chief Executive Officer, through his annual bonus, have direct responsibility over CSR challenges: the CSR composite index is used to calculate 10% of the Chairman and Chief Executive Officer's annual variable remuneration.

Operational action plans include CSR criteria. The CSR objectives are defined each year, and they are included in the objectives assigned to the directors and the heads of various Group entities. They are monitored and assessed during individual annual reviews.

This process helps ensure alignment between corporate strategy and its operational deployment.

CSR operational management has adopted a network-style approach. The CSR reporting process has demonstrated the Group's willingness to be transparent on these topics for over 10 years. Ethics underpin all management and operational actions. The Ethics Charter is a reference text to inspire team members' decisions, guide their day-to-day actions and allow them to build stakeholder trust each day, something which is a major source of value creation for the Group.

6.3 GOVERNANCE AND RELIABILITY OF OPERATIONS

6.3.1 TRAFFIC FLOW WITHIN THE TERMINAL AND IN THE TUNNEL

Traffic flow within the terminals and in the Tunnel was identified as a priority material challenge by the Group's internal and external stakeholders.

These risks, having been identified as significant specific risks for the Group, are presented in chapter 3 of this Universal Registration Document.

6.3.2 THE PERFORMANCE AND RELIABILITY OF ROLLING STOCK, EQUIPMENT AND INFRASTRUCTURE: A CRUCIAL PRIORITY FOR THE GROUP

The performance and reliability of rolling stock, equipment and infrastructure were identified by stakeholders as a priority material challenge for the Group.

These risks, having been identified as significant specific risks for the Group, are presented in chapter 3 of this Universal Registration Document.

6.3.3 PROTECTING THE INFORMATION SYSTEM AND DATA

Protecting the information system and data was identified by stakeholders as a priority material challenge for the Group. Risks associated with these themes were also identified internally in the annual risk review.

Non-compliance with regulatory obligations in terms of personal data processing was identified as a significant specific risk. This risk is set out in chapter 3 of this Universal Registration Document.

6.3.4 DEVELOPMENT OF INNOVATION

Group activities take place in a constantly changing environment. The Group must anticipate these changes, identify and integrate the required technological changes to stay competitive, maintain a high level of performance and operational excellence, and respond to the needs and demand of its customers, and more generally all stakeholders.

Innovation development has been identified by stakeholders as a priority material challenge. Equipment and service changes and poor change management have been identified as significant specific risks and are presented in chapter 3 of this Universal Registration Document.

6.3.5 SAFETY AND SECURITY OF INFRASTRUCTURE

Infrastructure safety and security were identified by Group stakeholders as a priority material challenge. The risks of a major fire in the Tunnel, a derailment or collision and threats linked to terrorist attacks are significant specific risks presented in chapter 3 of this Universal Registration Document.

Safety and security are part of the very design of the Tunnel, as indicated in section 1.2 of this Universal Registration Document. In addition, as indicated in chapter 8 of this Universal Registration Document, the Treaty of Canterbury established the IGC and its Safety Authority to monitor the relevance and implementation of safety rules and practices applicable to the Fixed Link, examine reports about any incident affecting safety and carry out investigations.

In order to foresee and control the potential impacts of safety and security on its activity, Getlink has implemented a control system, different policies and specific actions, including:

- Regularly reviewed formal risk analyses, and measures applied and distributed to all staff affected by the activity;
- Safety policies, which set out the provisions relating to managing health, safety and the environment and which are part of the continuous improvement and risk control approach. In fact, the safety management policy and the SMS describe, in the case of Eurotunnel, all the risk control and mitigation measures for people and the System. They place safety requirements ahead of all other objectives. The control of those requirements is based on three interlinked factors: stock and equipment, organisation and processes and people. Through its commitment to carry out all its services in the highest safety, Europorte has also embarked on an approach to control its risks especially in respect of operations, health and safety.

Different initiatives are continually involved in improving rail safety performance. These include:

- Maintaining an approach to improve safety culture and management commitment in the field;
- Enhancing safety communications to staff;
- Continuing safety training courses;
- Improving management and monitoring action plans linked to safety events; and
- Strengthening the sub-contractor monitoring and selection process.

Each year, Europorte implements action plans at national level covering the areas of staff safety, quality, the environment and rail safety. These plans indicate the dates that actions are implemented, those responsible for each action and progress made. The national action plan is implemented at the level of the various operational entities.

Since 2018, Europorte has established an initiative to take better account of organisational and human factors in the analysis of events that could impact on rail safety.

Like safety, security has always been a major concern for the Group. It is defined as protection against external risks. Its aim is to protect assets and people at its sites, i.e. detection and protection against external attacks on employees, partners and sub-contractors, or damage to goods and infrastructures. As part of the Obligation for Economically Reasonable Progress in view of Expected Gains (OPEREGA) and to reduce insurance premiums, Eurotunnel has funded fire training for First of Line Response (FLOR France) staff, who patrol the tunnel and manage evacuations in the event of an accident.

Security at the Coquelles site could be affected by attempted migrant intrusions. Since the migrant crisis, Getlink created a new central security office in 2017 on the French side of the Tunnel. This building covers 500m² and brings together all security services at the Coquelles site in the same place and allows operators to monitor the 650-hectare site and the 37 kilometres of high-security fencing via video feedback from operational cameras. The Group has finished securing its site with adapted systems, notably including the installation of high-security fencing protected by detection cables, and a building equipped with a heartbeat detection system to detect the presence of humans on board trucks.

These measures have helped achieve and maintain the target of zero collisions and zero deaths and reduce attempted intrusions in 2019 compared to the previous year.

Results and targets

	2017	2018	2019	2020 target
Number of collisions	0	0	0	0
Number of passenger deaths	0	0	0	0

The scope of these two indicators relates only to Eurotunnel.

6.3.6 CSR GOVERNANCE

This challenge was identified by stakeholders as important among the material challenges.

Getlink has a structured organisation and its governance explained in section 6.2 of this Universal Registration Document, which was reinforced in 2019 by the creation of a Group CSR director role that sits within the executive committee.

6.3.7 INCREASING COMPLEXITY OF THE REGULATORY LANDSCAPE

The increasing complexity of the regulatory landscape, which is an important material challenge, was identified as a significant specific risk in chapter 3 of this Universal Registration Document.

6.3.8 RESPONSIBLE PURCHASING (PROCUREMENT)

Responsible procurement was identified by Group stakeholders as an important material challenge.

Getlink wishes to build trust and loyalty with its suppliers and to ensure that they adopt a responsible attitude by offering products and services that respect labour and environmental laws throughout their life cycle. Their production conditions must strictly respect human beings and international rules regarding labour law, child welfare and health and safety. Environmental, social and ethical criteria are evaluated during the Group supplier selection process.

As part of a voluntary responsible procurement initiative, Getlink signed a "Responsible Supplier Relations Charter" in January 2012. This charter includes 10 commitments for responsible purchasing, ensuring a genuine partnership between customers and their suppliers with due regard to their respective rights and obligations. Its commitments include ensuring financial fairness with its suppliers, respecting the principle of transparency, considering environmental challenges and ensuring that the business is held locally accountable.

The Group is also a member of the steering committees for the "Responsible Supplier Relations" charter and certification and has clearly demonstrated its wish to be a part of this certification process, as an extension of the implementation of the charter's 10 engagements. From 2020, the Group will implement additional resources to work on these topics, consolidate achievements, and develop, implement and maintain an efficient Group responsible procurement policy linked to best practices in the matter. Actions to prevent corruption in the purchasing process are described in section 3.4 of this Universal Registration Document.

Strongly rooted and committed to its local environment, Eurotunnel carries out almost 50% of its purchases in the Hauts-de-France region and 18% in the Kent region, thus enabling its local stakeholders to benefit from the value creation generated by Eurotunnel's operations.

6.3.9 GOVERNANCE AND BUSINESS ETHICS

Business ethics and human rights are part of the governance and business ethics challenge; they were identified as an important challenge by the Group's internal and external stakeholders during the materiality analysis.

Getlink has been known for a strong culture based on the values of discipline, integrity and responsibility from the outset. Establishing its operating performance based on strong ethics and compliance is an essential component of the business's strategy. Anti-corruption and ethical awareness actions (the Compliance Programme) are described in section 3.4 of this Universal Registration Document.

In addition, the Group's CSR policy is aligned with respect for fundamental rights as defined in the major international principles: the 1948 Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the OECD guidelines for multinational enterprises and the principles of the United Nations Global Compact. As part of its commitment to the Global Compact, the Group fully adheres to its 10 fundamental principles and communicates annually on its CSR practices in an annual report entitled "Communication on Progress" (COP). As of 2016, the Group's annual report has been qualified at the highest level of Global Compact differentiation (GC Advanced), making Getlink one of 117 French companies that have achieved this qualification in 2019 out of just over 1,200 signatories in France. Getlink supports, adheres to and actively participates in the World Forum for Responsible Economy and the values it promotes.

In its Ethics and Behaviour Charter, Getlink reaffirms its commitment to the principles and values of the 1948 Universal Declaration of Human Rights.

6.3.10 DEVELOPMENT OF THE GROUP'S CULTURE

Group culture has been identified by stakeholders as a limited material challenge. Internally it is not considered a risk but an opportunity, to the extent that it brings employees together around shared values, history and a special adventure which has shaped the company's identity. This history draws on the great human adventure of the Tunnel, which on 6 May 1994 achieved a dream dating back nearly two centuries to link France and England. From the outset, the Group's culture has been a binational culture, building on this business history to develop. It is supported by a common vision and values, shared by all Group employees. As a Group in constant motion, it aims to consolidate this vision as the Group grows and policies are reviewed.

6.4 CUSTOMER SERVICE: A PRIORITY AND STRATEGIC REQUIREMENT

6.4.1 DEVELOPMENT OF INTRA-EUROPEAN ACTIVITY

The development of activity within Europe has been identified as an important material challenge by stakeholders and a specific risk as presented in chapter 3 of this Universal Registration Document.

6.4.2 SAFETY AND SECURITY OF FREIGHT AND PASSENGER TRANSPORT

The safety and security of freight and passenger transport have been identified by Group stakeholders as priority material challenges. The risk of a fire in the Tunnel, derailment and collision and threats linked to terrorist attacks are significant specific risks and are set out in chapter 3 of this Universal Registration Document.

Getlink has implemented a control system, different policies and/or actions to prevent and control potential impacts, which are set out in section 1.1.3.

With regard to the movement of passengers, the Treaty of Canterbury, presented in chapter 8 of this Universal Registration Document, commits the two States to providing smooth traffic conditions through the implementation of juxtaposed identity controls.

The Europorte subsidiaries apply SNCF and EPSF safety and security rules for goods transport. They also have regular control procedures before the departure of main line trains. Regarding staff skills:

- Specific training is provided for people involved in the transport of hazardous materials;
- Staff responsible for pre-departure or post train downtime controls receive initial training for these tasks, are monitored and are involved in training activities to refresh their skills. Staff awareness is also ensured through a whistleblowing/suspicious activities charter and a safety best practices charter, specific to hazardous materials.

6.4.3 QUALITY OF SERVICE AND CUSTOMER EXPERIENCE

The quality of customer service and customer experience were identified as an important material challenge by the Group's internal and external stakeholders during the materiality analysis and correspond (specifically due to the UK's departure from the European Union) to the risk of border controls on the management of traffic flows and are identified as a significant specific risk presented in chapter 3 of this Universal Registration Document.

Stakeholder expectations correspond perfectly to the priority placed by the Group on the customer experience. Customer satisfaction and retention is a core concern of Getlink's development strategy. This is demonstrated by the digitalisation and redesign of customer journeys. In its business policy, Europorte makes customer satisfaction a major concern. Offering a high level of service by responding to each of their specific requests and so building a special relationship with each customer is a permanent commitment for each of Europorte's subsidiaries.

The Simply Better programme launched by Eurotunnel's Customer Experience Department enables the use of a mobile app made available to all Eurotunnel employees and it has already been downloaded over 1,000 times; a training plan in customer service challenges was followed by 1,400 Eurotunnel workers (employees, sub-contractors, temporary staff); "Simply Better" ambassadors were recruited: they are responsible for forging ties with all those who look after our customers every day (Eurotunnel employees or sub-contractors), taking into consideration their expectations, and contributing to their satisfaction, which is an ongoing challenge for the company. An entire community is therefore working hard each day to satisfy customers.

Alongside this, the Group continues to work towards improving the overall efficiency of the Shuttle Service, including by focusing on border controls and improving load factors and the quality of information provided to customers.

Europorte has also put mitigation measures in place which aim to reduce or prevent the potential impacts of the risk of improper management of customer complaints or an inadequate response, including:

- Simplification and standardisation of the locomotive fleet with a full service contract, to offer greater performance and optimise maintenance costs;
- Contracts are monitored as part of a weekly review;
- Service quality performance indicators are included in each contract;
- A customer satisfaction survey is conducted and the results and trends are presented each year to CODIR (Europorte's management committee).

Objectives have been set to measure customer satisfaction for the Shuttle Service. These objectives are among those included in the composite index. The satisfaction rate deteriorated in 2019, due, in particular, to traffic jams, delays at controls and the strike by customs officers, which strongly affected the quality of service during this period. However, despite this, customer satisfaction remains at a high level.

Results and targets

	2017	2018	2019	2020 target
Customer satisfaction rate	93.7%	93.0%	87.7%	93.0%

The customer satisfaction rate is calculated on the base of different satisfaction rates: the transporters' satisfaction rate, the truck drivers' satisfaction rate and the commercial passengers' satisfaction rate, all relating to the Concession.

6.5 EMPLOYEE WELL-BEING AND SOCIAL PERFORMANCE: ENSURING EMPLOYEE WELL-BEING AND PROFESSIONAL DEVELOPMENT FOR IMPROVED SOCIAL PERFORMANCE

6.5.1 ATTRACTIVENESS AND CAREER MANAGEMENT: IMPROVING APPEAL TO ATTRACT AND RETAIN TALENT

The challenge of appeal and career management was rated as a priority in the materiality analysis.

Attracting and developing talent which the Group needs is one of the key factors that will lead the business forward. To control these challenges, the Group relies on recruitment management, training and a remuneration policy that are all adapted to its needs and on the promotion of diversity.

As a responsible employer, Getlink seeks to promote the personal development and fulfilment of its team members, which it considers a key factor in its corporate strategy. Getlink believes that its success depends on the skills and loyalty of its employees, as well as its ability to attract and retain highly qualified staff: employment and development of appeal are essential elements for its development.

The Group has implemented different measures to consolidate and continue its development. An internal mobility policy allows the Group to encourage the professional development of its employees. Consideration of a rate of internal mobility will soon be undertaken within the framework of the management of jobs and career paths (GEPP). To attract the best skills, Getlink has worked actively on its employer brand since 2015: visibility on social networks, job adverts on the Group website and presence on general and specialist job sites. It has also implemented digital tools to evaluate the individual and collective potential of team members and anticipate how they can access key positions. To limit the risk of losing key skills or labour shortages in certain sectors, the Group has implemented a human resources policy which is highly focussed on forward management of jobs, adapted to the different contexts and promotion of employability through training development. Getlink has identified problematic trades and possible departures through to 2030.

6.5.2 MODERNISATION OF SOCIAL DIALOGUE (LABOUR RELATIONS)

Labour relations are very important for the Group, particularly negotiations with staff representative bodies. The Group has worked long-term to form sustainable and constructive labour relations with all its team members to maintain a balance between the expectations of its employees and the constraints of the business.

The quality of labour relations within the Group is now recognised. Trust and mutual respect between management and staff representative bodies has created a working environment conducive to collective and individual efficiency. In addition, national strikes against pension reform only slightly affected the Group (less than 0.01% of the workforce) in 2019. Several majority agreements at subsidiary and Group level were signed, notably on gender equality, remote working and profit-sharing.

In France, ESGIE employees are represented by four union organisations and have a collective agreement as part of a corporate agreement. Europorte subsidiary employees are also represented by four union organisations and have two collective agreements.

In the United Kingdom, in view of a voluntary single union organisation agreement signed in 2000 by ESL with the Unite union, all ESL employees (except management) are represented by Unite during collective negotiations. Employees are entitled to join their preferred union for individual representation purposes.

Moreover, Getlink has established dialogue bodies with its employees, both at subsidiary and Group level, to ensure regular information and an exchange of views on the Group's social, economic and financial situation, or its strategic direction.

The quality and effectiveness of labour relations, the fight against discrimination and the promotion of diversity as well as employees' working conditions are factors that contribute to the success of the business.

The Group will endeavour to enrich social dialogue in order to meet medium-term human resources challenges.

6.5.3 GENDER EQUALITY

Getlink is committed to respecting equality of treatment between men and women; it promotes this fundamental principle and ensures it is applied appropriately. This gender challenge is one of the important challenges in the materiality matrix.

Getlink's commitment starts at recruitment and continues throughout an employee's career. The Group is committed to gender equality and works to ensure this principle is effectively applied when identifying talent and appointing managers.

Its adherence to these principles is reflected in the application of an equal opportunities policy in recruitment, access to training, remuneration and promotion, and by signing agreements within subsidiaries in favour of workplace gender equality.

The Group subsidiaries contribute to Getlink's overall approach in favour of equality. Accordingly, in 2018 Socorail and Europorte France signed agreements relating to professional equality between men and women. Those subsidiaries also intend to take concrete and effective steps in favour of women in order to guarantee pay equality in comparable cases.

In 2019, ESGIE entered into discussions to negotiate a collective agreement, which were concluded in February 2020 with the renewal of the professional equality collective agreement. This action affirms Getlink's desire to promote women and to put in measures to raise awareness as an extension of the proposed Charter on professional equality. In 2019, ESGIE published the results of its workplace equality index, which at 77/100 was above the 75 point threshold. In order to improve this result, the business has developed an action plan with progress targets regarding female promotion (women to account for at least 25% of total promotions over three years) and equal pay, ensuring that men and women with equivalent jobs, experience and education receive the same pay. This commitment was upheld as there was no pay gap reported in 2019[35].

Moreover, a Group workplace equality charter will be distributed in the first quarter of 2020. In developing this Charter, the Group sought to closely involve male and female employees during a workshop, where specific actions were shared and proposed to reduce gender inequality at work. The effective implementation of actions in favour of workplace gender equality within different Group subsidiaries will be regularly and carefully monitored.

[35] *As indicated in section 2.3 of this Universal Registration Document, in March 2020 ESGIE published the result of its index, which at 86 points has increased 11 points compared to the previous year.*

6.5.4 EMPLOYEE HEALTH AND SAFETY: PROTECTING EMPLOYEE HEALTH AND SAFETY BY LIMITING THE RISK OF ACCIDENTS

As a responsible business, Getlink has made safety a core ambition. Health and safety management schemes and compliance with procedures are based around this essential value. In this area, as a responsible employer Getlink seeks to protect the health, safety and well-being of its team members and to ensure a healthy and safe working environment for each of them by strengthening the safety culture.

The materiality analysis identified employee health and safety as an important material challenge for the Group. It concerns the risk of serious accidents that may cause bodily injury, occupational diseases and/or damage linked to handling hazardous materials to team members. These risks are not included in the most significant specific risks for the Group.

Group subsidiaries rely on health and safety policies to conduct their operations. They constitute the base supporting applicable fundamental health and safety principles. The Europorte safety policy aims to improve the safety and working conditions and to protecting the physical and mental health of team members by evaluating and preventing professional risks and implementing all suitable personnel protection measures. Eurotunnel's health and safety policy conforms to the various internal and external requirements in this area. It is based on discipline, transparency and dialogue at all levels of the business. The health and safety of team members is paramount. Each manager is responsible for applying health and safety principles at his or her own level. Moreover, everyone is responsible for his or her behaviour regarding personal safety and works actively to reduce risks for everyone.

Various measures are in place to reduce the potential impact of these risks and to guarantee healthy and safe working conditions for employees.

Getlink pursues its safety initiative through business training which includes safety topics, safety visits and/or inspections which are regularly organised at sites by local management. Over 6,000 safety visits were conducted at different subsidiaries in 2019. All safety events are recorded and analysed to issue recommendations and produce action plans.

As part of an overall performance improvement approach, different safety indicators are continually and consistently monitored. The Group's subsidiaries also ensure that their procedures and safety and security rules are applied by their sub-contractors.

Due diligence is required at all times to consolidate and support this progress in terms of reducing the number of accidents. The Group is committed to a continuous improvement approach based on the definition of clear objectives and specific actions to attain them and measure them through relevant indicators. Getlink is strongly committed to continuing this progress through the following actions:

- A safety week. Organised every year across all Europorte sites, the theme this year was "organisational and human factors" and more specifically, human limits and solutions that may be implemented.
- An awareness raising campaign, entitled "Safety takes to the screen", was launched by Eurotunnel's general management in 2016. Based on short-format videos broadcast on the corporate intranet, this campaign aims to achieve greater awareness of safety issues and to promote and share best practices. and more specifically, human limits and solutions which could be implemented. The campaign resumed in January 2020.
- Training. The Group has decided to place the emphasis on a shared safety culture by organising dedicated training for Group team members. Over 16,000 hours of training were dedicated to safety in 2019.
- Innovation and technical progress. Getlink is making greater use of connected devices (telephones, tablets) to enhance the means available to its team members to work safely.
- Greater involvement of local line management and monitoring, listening and prevention actions put in place by the occupational health service.

Results and targets

2019 ended with a clear improvement in safety for the Group. Lost-time accidents fell by over 50% for Europorte (7 v 15) compared to 2018, and by over 30% for the Fixed Link (11 v 17), demonstrating the effectiveness of the actions taken above. The constant involvement of local management, the strong commitment by the management committee and the reinforcement of safety teams within operational departments have helped us to progress safety, ensuring it is a constant priority.

2019 ended with a slight decline in sub-contractor results compared to 2018. The number of accidents actually increased from 13 in 2018 to 16 in 2019 for Eurotunnel, with an increased frequency rate (6.3 in 2018 v 7.4 in 2019). Nevertheless, the objective to reach a frequency rate lower than or equal to 8 was achieved for the second year running (2018 and 2019). No accidents were recorded for Europorte subsidiary sub-contractors from 2017 to 2019.

The Group's occupational injury frequency rate fell significantly, from 5.7 in 2018 to 3.1 in 2019. The Group's severity rate remained stable at 0.3.

Within the framework of the composite index, the Group set itself a 2020 occupational safety target to return the level achieved in 2018, i.e. a frequency rate of 5.7. The Group hopes in any event to exceed the target and consolidate the especially positive result observed in 2019; these results reflect the efforts made in recent years by the Group to continually improve its safety performance, steadily reduce its accident frequency rates and fulfil its wish to no longer have any work-related accidents.

Indicators*	2017 result	2018 result	2019 result	2020 targets
Frequency rate	✓7.4	✓5.7	✓3.1	5.7

* *The Group scope is used for indicators, results and objectives.*
✓ *Information verified to a reasonable level of assurance by the independent third party.*

6.5.5 WELL-BEING AT WORK

Getlink is deeply committed to maintaining a positive working environment which supports performance whilst limiting the effects of a poor atmosphere or work-related stress. In France, a charter on the handling of work-related psychosocial risks has been in force since 2009 for ESGIE employees. In July 2015, ESGIE management signed a company agreement for Eurotunnel on the gift of rest days to parents of seriously ill children, an agreement which was extended to cover spouses and co-workers who are seriously ill and for whom the lack of family support in place leaves them in precarious isolation. After an experimental period in 2018, management and union organisations signed a remote working agreement. The Human Resources Department is considering an extension to the rest of the Group, but is waiting for sufficient feedback on the application of the ESGIE agreement. An agreement to prevent the effects of exposure to certain occupational risks was signed by management and Socorail in 2018. Committees dedicated to improving working conditions and mental health units are some of the actions put in place by Group subsidiaries to tackle hardship at work. In the UK, an employee assistance programme is available 24/7 to provide support to team members who are dealing with personal and/or professional problems. Management listens carefully in order to detect stressful situations. In France, ESGIE implemented a programme in 2016 called "Trust" which each Eurotunnel manager is encouraged to apply. It aims to improve mood and managerial conduct and increase team efficiency. It is based on an understanding of one's own behaviour and that of others and has the goal of improving collaboration and cementing a work atmosphere in which each individual feels valued for his or her contribution.

Eurotunnel sports associations have been in existence since 1999 to bring a quality of life to as many sites as possible. The sports associations promote team spirit and shared values.

In France, the Social and Economic Committee (CSE), through the auspices of the Commission de santé, de sécurité et des conditions de travail (health, safety and working conditions commission - CSSCT) is tasked with ensuring the protection of the health and safety of employees and putting controls in place that aim to improve their working conditions. Mostly made up of staff members, the CSE analyses professional risks and verifies - including through surveys and inspections - that rules are being followed. It is also consulted prior to any major modification to working conditions.

In the United Kingdom, the Occupational Health Service plays a key role in preventing occupational illnesses through educational awareness actions, and through the control measures that are set up to improve working conditions. Composed of representatives of employees and business managers, the committee aims to promote safety at work and improve working conditions.

Finally, a workplace harassment awareness campaign has been deployed within the Group's French subsidiaries. The human resources teams, awareness officers, staff representatives and all managers have received training through an external organisation. An awareness and training module to prevent any form of workplace harassment was also made available to all the Group's French employees. The same module was also been made available to British employees in February 2020.

From a medical standpoint, employees have regular medical check-ups with occupational healthcare professionals and may also request additional appointments.

Group indicators	**2017**	**2018**	**2019**
Workforce	✓ 3,400	✓ 3,517	✓ 3,539
Average age	✓ 44	✓ 44	✓ 44
Recruitment	296	335	236
Turnover rate	5.81%	5.26%	4.89%
Rate of absenteeism	✓ 4.5%	✓ 4.4%	✓ 4.8%
Management ratio	✓ 23.9%	✓ 24.2%	✓ 24.9%
Rate of non-permanent employment	✓ 6.7%	✓ 6.2%	✓ 5.8%
Number of training hours	✓ 109,072	✓ 107,641	✓ 98,610
Average number of training hours	✓ 32	✓ 31	✓ 28
Number of agreements signed	12	27	16

✓ *Information verified to a reasonable level of assurance by the independent third party.*

The fall in training hours in 2019 can be explained to a fall in business training hours compared to the previous year and correspondingly by a fall in recruitment. 2018 was notable for driver training within Europorte and Eurotunnel, which totalled more than 10,000 hours. This training was aimed at newly recruited drivers and is not intended to be repeated each year.

The absenteeism rate rose slightly compared to the previous year and is due to an increase in long-term sick leave and maternity leave at a Group subsidiary. The Group has set a target of 4.4% for the 2020 absenteeism rate.

6.6 ENVIRONMENTAL PROTECTION

In a world with limited natural resources, companies cannot ensure their continuity without making constant efforts to control their energy consumption and reduce the impact of their operations on the environment. For Getlink, it is clear: it is impossible to be successful in the long term without better control of its environmental impact. As part of its commitment to "low carbon" transport, the Group is pursuing an ambitious strategy combining the development of its core activity. This is part of an immediate and continued approach to guarantee a long-term commitment to the future. In 2020, Getlink decided to reinforce its strategy and actions for the environment so that the service provided to customers and the inclusion of new innovations make a tangible contribution to reducing its environmental impacts. The role of Group Environmental Director was therefore created in 2020 to coordinate and expand this initiative.

6.6.1 ENERGY TRANSITION AND THE FIGHT AGAINST CLIMATE CHANGE

Energy transition and the combatting climate change were identified as an important material challenge for the Group during the materiality analysis. The difficulty in replacing polluting gases with low-emission gases and the delay in replacing certain refrigerants are risks encountered by the Group, notably due to the increased traffic within the Concession, which could cause more significant air emissions, and more intense lighting at the terminals to prevent the risk of migrant intrusions. Thanks to the policy of routinely saving electrical energy (with 90% of electricity being of hydro or nuclear origin therefore without CO_2), Getlink has achieved an emissions ratio that is compatible with its CO_2 saving targets.

In general terms, climate change is a major challenge for economic figures, which impacts their activities two-fold:

- Due to actions implemented to limit greenhouse gas emissions (implementation of policies and action plans);
- Due to new constraints resulting from the need to evaluate, integrate these new risks and adapt to climate change, whether to anticipate the changes in production systems and the economy towards a low-carbon economy, or to deal with the physical impacts of climate change.

Eurotunnel, as the manager of an infrastructure of major importance to the British economy and at the request of the British Department for Environment, Food and Rural Affairs (DEFRA), carried out a study of the infrastructure's ability to withstand the foreseeable effects of climate change in line with the Climate Change Act 2008. Getlink has decided to update in 2020 the risk study linked to climate change and to supplement it by adopting an extended vision of the risk evaluation (physical and transition) for the Group's activities.

Eurotunnel's Sustainable Development Policy places respect for the environment at the heart of Eurotunnel's founding values. The Tunnel and its System enable Eurotunnel to respond to growing cross-channel logistical needs without creating a trade-off against the environmental outlook for future generations. Getlink is one of the organisations best prepared for the +2°C target for limiting global warming according to the NEC[36] barometer[37], a transparent, international and open measure of the degree of exposure of large listed companies to the ecological transition. Getlink is rated +100%, which is the score for the activities having the most positive impact on a scale where -100% is the score for the organisations having the most negative impact and 0 is the global industry average.

Since 2014, Europorte's subsidiaries have been awarded TK' Blue status by the European TK' Blue Agency; this label measures eco-responsible commitment, and helps assess the technical, economic, environmental and social performance of the transport offering. Europorte received the TK'Blue transport company prize during the 2019 Eco-Responsible Transport Awards organised by the TK'Blue Agency. This prize recognises Europorte's commitment to sustainable transport which is more environmentally friendly, at the heart of the Group's overall CSR approach.

Aware of the need to accelerate the environmental transition, in September 2018, Getlink launched the issue of Green Bonds for a principal amount of €550 million. The net profit of this issue has been allocated to finance investments linked to the Group's ElecLink project and the purchase of the G2 notes described in note G.7 to the consolidated financial statements in section 2.2.1 of this Universal Registration Document. The proceeds were also used to fund eligible environmental projects, such as the purchase of three cutting-edge and more energy efficient Truck Shuttles, the replacement of air conditioning systems on board Passenger Shuttles, the replacement of Tunnel cooling systems and the removal of halon from plant rooms and locomotives, etc. Some of the actions aimed at reducing the Group's impact on greenhouse gas emissions are set out below:

[36] *NEC (Net Environmental Contribution) 1.0 co-founded by Sycomore AM, Quantis and I Care & Consult on data focussing on the 2018 year available at www.necs-initiative.org.*

[37] *Published by La Tribune newspaper on 17 January 2020.*

- The programme to replace the halon used as an extinguishing agent is now complete in the Tunnel's plant rooms and at the French and British terminals. The programme involving 57 locomotives ended in 2019. The removal of halon from carrying wagons represents 58.320 tonnes of halon. The project will take place as part of an overall Shuttle renovation programme. This mid-life Passenger Shuttle programme includes the replacement of our Passenger Shuttles' main systems: fire detection and extinguishing, air conditioning and ventilation, fire doors, networks and wiring. In 2019, halon emissions represented 5,197 T CO_2 for the Group. The programme for the renovation of the Shuttle fleet is described in section 1.6.1 of this Universal Registration Document.
- Installation of GSM chips in built-in air conditioning systems on board Shuttles to limit leaks by detecting them more easily and quickly. It is also planned to replace some of these built-in air conditioning systems.
- The replacement of refrigerants with less polluting solutions (refrigerants can have a very high global warming potential).
- Implementation of some of the improvement actions identified during comprehensive energy audits of Fixed Link activities carried out periodically by a certified provider on the whole of those activities, such as the installation of LED lighting. Establishing a partnership between France Manche and EDF to encourage energy saving. Signing a certified zero carbon Blue for Business contract on 1 January 2018 on the British side.
- Raising awareness of rail freight and Shuttle drivers regarding eco-friendly driving styles.
- The purchase of new Shuttles to transport road trailers on rail motorways is considered an energy-saving action eligible for the CEE programme (Certificat d'Économie d'Énergie - Energy Savings Certificate). The entry into service of a new Truck Shuttle at the end of December 2017, comprising 32 rail motorway wagons, allowed the granting of Certificats d'Économie d'Énergie (rail motorway wagon).
- Modulating the power of fans in the Tunnel cooling plant, following the installation of cutting-edge electronic controllers in 2016 which consume less energy.
- A fleet of 100% electric vehicles operating on the Fixed Link terminals: at the end of 2019, 43 vehicles were in operation (38 in 2018). The analysis continues as vehicles are replaced.

Le Shuttle also promotes smooth, low-carbon travel by offering a service to cross the Channel with a bicycle.

Eurotunnel has been certified by the Carbon Trust Standard[38] since 2009. This independent organisation audited the Group's management of greenhouse gas emissions in 2011 and set the baseline level for greenhouse gas emissions for the whole of the Group's activities at 2010 levels. In 2019, the Group's Carbon Trust Standard certification was renewed for Eurotunnel in recognition of its carbon footprint reduction policy for the 2017-2018 period. As part of this certification, Eurotunnel, which is the main contributor to the Group's emissions, must reduce its emissions per euro of revenue by 2.5% per year.

The renewal of this certificate for the 2019-2020 period will be audited during the second half of 2021.

Moreover, Eurotunnel is the only cross-channel operator to have created and published a carbon footprint assessment since 2007, in both France and the United Kingdom, based on the method developed by ADEME. This carbon footprint assessment identified Eurotunnel's primary sources of greenhouse gas emissions: the consumption of electricity and fossil fuels as well as refrigeration fluid leakages, which account for 80% of emissions.

The Group is resolutely committed as a leader in eco-responsible transport and contributes its expertise and leadership to benefit its subsidiaries and customers, to help them reduce the carbon footprint of their activities. An eco-comparison tool is available on the Eurotunnel website, which allows freight customers to calculate the average CO_2 emissions saved by using Truck Shuttles.

In accordance with its environmental commitment and as part of a continuous improvement approach, in 2020 the Group will also endeavour to reinforce the assessment of its carbon footprint and to supplement it with an initial estimation of Scope 3 greenhouse gas emissions.

Since 2015, the Group has provided a fast and free of charge recharging facility at the Eurotunnel sites in Coquelles (Pas-de-Calais) and Folkestone (Kent) for customers with electric cars. In thirty minutes, they can charge 80% of the battery capacity (universal battery chargers). The number of customers using the Passenger Shuttle in electric cars increased from 40 in 2014, to 800 in 2015, 5,696 in 2017 and close to 12,000 in 2019.

The Europorte employee awareness initiative which started in 2018 regarding eco-citizen initiatives (waste management, eco-friendly actions and water management) continued throughout 2019, via themed articles suggesting specific Sustainable Development initiatives, distributed through a monthly in-house newsletter. At Socorail, the Europorte subsidiary specialising in logistics management at industrial sites, progress in environmental protection and safety was rewarded with renewal of ISO 9001 (Quality management) and MASE (Company Safety Improvement Manual) certifications. The Socorail Infrastructure Management branch also obtained MASE certification in 2019 and Europorte France retained its SQAS (Safety & Quality Assessment for Sustainability) certification.

As part of Ecovadis evaluations conducted on request by certain clients, Socorail and Europorte France received a "gold" level for their rail activities in 2019 with an overall rating between 66 and 72 over 100. The rating reflects the quality of the business's CSR management system at the time of the assessment.

Results and targets

In 2019, the Group's internal greenhouse gas emissions fell by over 13% compared to the previous year. This decline is explained by the factors mentioned in the present section of this Universal Registration Document.

To monitor changes to its greenhouse gas emissions, Getlink established an indicator to ascertain the Group's greenhouse gas to revenue ratio. Notwithstanding this target at Group level, Eurotunnel, which is the main contributor to the Group's

[38] *Independent organisation tasked with accelerating transition to a sustainable economy.*

emissions, is working to reduce its emissions and is targetting a 2.5% reduction per euro of revenue per year as part of its Carbon Trust certification. Aware of the climate emergency, the Group has set itself a voluntary consolidated target for 2020 of a 3.5% reduction per euro of revenue compared to 2019, corresponding to emissions of 57,692 tonnes of CO_2, taking into account business forecasts. Finally, as part of the environmental policy review launched in 2020, the Group is also working on defining a medium-term Climate ambition in line with the two-degree trajectory for limiting global warming and to refine if appropriate its target to reduce this ratio by a minimum of 5% in five years like-for-like and at constant exchange rates.

2019 performance indicator: 57,867 (TeqCO_2 - tonnes of CO_2 equivalent)/1,085 (million euros) ✓, a 13.2% drop compared to 2018.

	2017	2018	2019	2020 target
CO_2 emissions (tCO_2e)	✓99,189	✓66,668	✓57,867	57,692

✓ *Information verified to a reasonable level of assurance by the independent third party.*

Managing energy consumption contributes to the material challenge identified. The risk of macro-economic dependency in terms of energy policy was identified as one of the most significant specific risks for the Group and is set out in chapter 3 of this Universal Registration Document.

Eurotunnel and Europorte's Sustainable Development policies, through the desire to reduce environmental impacts, are part of the approach to optimise energy consumption. Therefore, three of the eight commitments undertaken as part of Eurotunnel's Sustainable Development Policy relate to managing energy consumption i.e. "limiting the carbon footprint, managing and saving our resources and promoting the production of renewable energy".

In 2019, energy consumption fell: fuel consumption decreased (down 12.9%). The consumption of natural gas, which had increased by over 5% between 2016 and 2017, fell by 6.5% between 2018 and 2019. This downward trend also includes LPG consumption (20% less). Electricity consumption remained almost stable compared to 2018 (0.3% decrease) whilst there was a 1.5% increase between 2016 and 2017. The results of these constant efforts deployed by the Group, combined with the implementation of a zero-carbon contract from January 2018 for British electricity, resulted in a 13.2% decline in CO_2 emissions compared to the previous year[39].

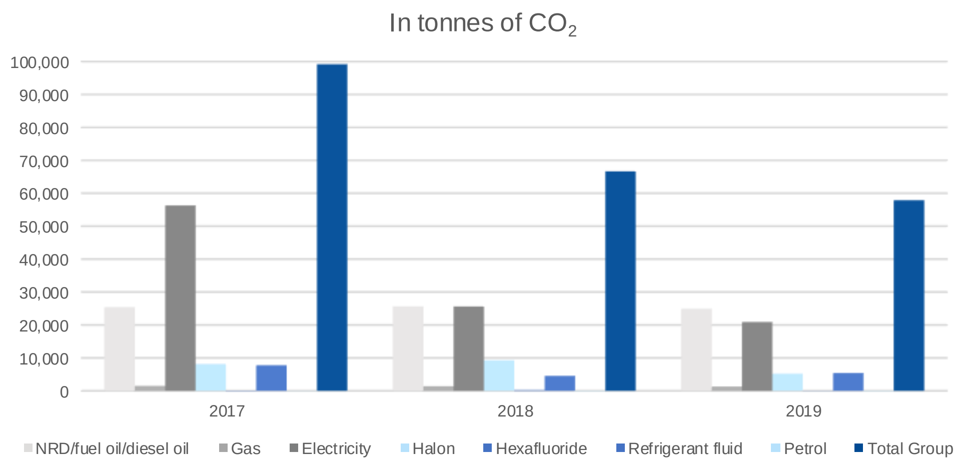
The breakdown of Group emissions by energy source is presented below for the past three years.

Tonnes of CO_2	2017	2018	2019	Change 2018 vs 2019
NRD*/fuel oil/diesel	25,382	25,601	24,878	-3%
Gas	1,487	1,389	1,298	-7%
Electricity	56,276	25,598	20,875	-18%
Halon	8,104	9,236	5,197	-44%
Hexafluoride	112	200	86	-57%
Refrigerant fluid	7,740	4,551	5,415	19%
Petrol	88	94	118	25%
Total	**99,189**	**66,668**	**57,867**	**-13%**
Change N-1		***-33%***	***-13%***	

* *NRD: non-road diesel or "red" diesel.*

The signing of a certified zero-carbon contract in the UK in 1 January 2018 and the optimisation of Truck Shuttle loading procedures have resulted in the reduction of carbon emissions for Eurotunnel. The optimised procedures have helped increase the average number of trucks loaded onto each Shuttle, and thus generate electricity savings by reducing the number of Truck Shuttle trips. The reduction in unintentional halon releases has helped reduce the associated emissions by 44% (however this improvement is slightly offset by maintenance refrigerant fluid leaks in cooling units).

Europorte has prioritised electric locomotive traffic rather than diesel locomotives, therefore significantly reducing the corresponding CO_2 emissions.



[39] *The method applied to calculate greenhouse gas emissions associated with electricity consumption was changed for 2019 emissions. This method is explained in the methodology. 2018 emissions were recalculated using this new methodology for comparative purposes.*

6.6.2 PRESERVATION OF NATURAL ENVIRONMENTS (PROTECTING NATURAL AREAS)

In the area of biodiversity, Getlink works within the spirit and the letter of the United Nations Convention on Biological Diversity. One of its primary aims is to protect biodiversity and the sustainable use of its components.

With significant land reserves in France and the United Kingdom, since construction of the Tunnel the Concessionaires have established natural areas over several dozens of hectares dedicated to protecting and developing biodiversity. In France, natural spaces are located around the Concession and therefore are not open to the public. The “ornamental gardens” located at the edge of the Coquelles terminal, with seven hectares of lakes, are a rest area highly appreciated by migratory species, and an essential nesting spot for many birds.

In the United Kingdom, the Samphire Hoe site is a specific example of the Group’s intention to support biodiversity and protect the environment. A nature reserve covering around thirty hectares at the base of the white cliffs of Dover, Samphire Hoe was created by reusing five million cubic metres of chalk and marl extracted from the Channel when drilling the Tunnel. This strip of land was gradually transformed into a nature reserve. The everyday management of this protected space is entrusted to the White Cliffs Countryside Partnership (WCCP), which receives the support of various volunteers from the county of Kent. The partnership between the Concessionaires and the WCCP received its 14th Green Flag Award in 2019, recognising the excellent environmental quality of this nature reserve.

Samphire Hoe welcomes over 100,000 visitors each year. Since 2014, a visitor centre - co-funded by Eurotunnel and the Heritage Lottery Fund - has provided school groups with access to a fully-equipped all-season learning space.

Still in partnership with the WCCP, the Concessionaires are also committed to maintaining and protecting the Doll’s House Hill site, the steep hillside rising above the Folkestone terminal facilities - where the flora and fauna are part of a Site of Special Scientific Interest (SSSI).

Moreover, the soil and vegetation in a wooded area in Biggins Wood were taken from the Folkestone terminal location and re-established nearby, to protect the essence of this British primary forest.

In France, polluting machinery used to maintain the green zones around the Coquelles terminal has been partially replaced with cattle. Around fifteen Salers and Highland Cattle cows, breeds chosen for their hardiness and ability to live outdoors all year round, even on the Opal Coast, graze 34 hectares and are gentler than land clearers. An agreement was signed with a farmer in the region who takes care of the two herds.

The Association des Paralysés de France Entreprise Adaptée in Calais (APF EA, which is part of a French network supporting people with disabilities in the workplace), in partnership with Eurotunnel, won the first CSR challenge award with the insect hotel located at the Coquelles Terminal.

All these actions reflect the Group’s commitment to raise stakeholder awareness of the biodiversity protection challenge.

In addition to protecting natural areas and biodiversity, the Group is also keenly focused on protecting other resources such as water and soil. Pursuant to French law no. 92-3 dated 3 January 1992 on water, the Concessionaire France Manche must submit its installation or structural projects outside the ICPE scope for administrative approval. It must also submit for approval any work or activities performed outside the ICPE scope which are likely to cause a hazard to health and public safety, prevent water from flowing freely, reduce water resources, notably increase flood risk or seriously harm the quality or diversity of aquatic life.

Money has been spent since construction of the Tunnel to prevent the consequences of business activity on the environment. The System notably includes separate rainwater and wastewater collection networks, retention basins and treatment plants.

Eurotunnel is concerned with air quality and the impact of emissions due to its activities. The Concession’s diesel locomotives that pull work trains have been fitted with catalytic converters since 2007. Through independent organisations, Eurotunnel conducts annually an occupational exposure and air quality measurement campaign on board the Shuttles. The last measurement campaign took place in May 2019. The measured exposure levels were deemed satisfactory with regards to regulatory levels. Measurement controls are also conducted periodically on tunnel sites. Based on the last company assessment in 2019, the values measured were lower than the regulatory values for occupational exposure.

6.6.3 WASTE MANAGEMENT AND THE CIRCULAR ECONOMY

The Group applies a waste collection and processing strategy which prioritises recovery or reuse. Most waste products come from industrial activities and vary in type and quantity from year to year depending on the projects being undertaken.

The hazardous waste classification is based on the European Waste Code (EWC), which is described in the related methodological guide:

- Non-hazardous industrial waste (NHIW): waste generated by businesses which could potentially be processed in the same facilities as household waste: cardboard, glass, kitchen waste, packaging, textile waste, office waste, septic tanks, etc. Inert waste (non-contaminated mineral waste) is included in non-hazardous waste.
- Hazardous industrial waste (HIW): waste which can cause harm to humans or the environment, as defined by decree no. 2002-540 dated 18 April 2002 and its application circular dated 3 October 2002.

a) Waste management: Responsible management

The materiality analysis positioned the challenge of waste management as limited, although this topic has been adopted by the Group from the outset and it is not a significant risk for the Group since it is being managed. However, mindful of the importance of this issue, the Group applies a waste collection and processing strategy which prioritises recovery or reuse and keeps abreast of the emergence of new industries or innovations in these fields.

The production of non-hazardous industrial waste for the Group fell by 25.2% compared to 2018 when more major work was done than in 2019. The production of hazardous waste also fell by 19.1% compared to the previous year. This decline in the amount of hazardous waste is due to a reduction in maintenance and activity at Concession workshops and a decline in "railway" projects for Europorte subsidiaries. The decline in non-hazardous waste is due to a reduction in civil engineering projects at Eurotunnel.

The French part of Eurotunnel sorts non-hazardous industrial waste, around 95% of which is recycled into briquettes for industrial boilers. This process was made possible by the emergence of new solid fuel recovery (SFR) channels. ESGIE mainly uses local companies to recover waste:

- for the recovery of hazardous and non-hazardous waste (common waste is recovered as SFR);
- for the recovery of waste electrical and electronic equipment (WEEE);
- for the recovery of cooking oils;
- for the recovery of metals;
- recovery of wooden pallets: internal recycling for reuse.

In 2019, Eurotunnel implemented a plastic cup recycling plan at the office buildings of the French part of the Concession.

At Europorte, almost all the waste produced comes from the maintenance of rolling stock and rail infrastructure. At industrial sites, waste management procedures are generally the responsibility of the customer. Europorte applies its own waste management procedures to its port rail infrastructure services and Europorte Proximité's locomotive maintenance workshop at Arc les Gray. Waste is sorted internally for both these activities. A dynamic waste recovery campaign was launched at headquarters with the implementation of six selective sorting categories. This approach has been shared with the regions and has been (partially) duplicated at some sites. Europorte is studying the possibility of introducing new sorting bins (cardboard, glass, light bulb/electrical appliance) in 2020.

The Group promotes a digitalisation plan to work towards a paperless workplace.

Results and targets

The waste recovery rate for the Group in 2019 was 94.4% ✓[40] in France.

The Group has set a recovery target of over 95% for 2020 like-for-like.

b) Recycling

In partnership with local water management institutions in the Calais area, Eurotunnel works on its contribution to water management beyond the Concession land. The collection of water after significant rainfall should help limit flooding in Calais. This closed-circuit method prioritises soil infiltration rather than discharging large amounts of water into the sea.

Eurotunnel also prioritises ecological maintenance of outside areas of the Concession, with the implementation of an eco-grazing programme.

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[40] ✓: *Information verified to a reasonable level of assurance by the independent third party.*

6.7 COMMUNITY AND LOCAL DEVELOPMENT: CREATING A GREATER LOCAL IMPACT

Corporate social commitment is deeply ingrained in the Group's history and culture. The Group seeks to establish close ties with all the communities that it interacts with – customers, local public authorities, economic partners – in France, in Great Britain and in Europe.

Although not identified as significant specific risks, the development of local employment and the economy are some of the important material challenges identified during the materiality analysis.

6.7.1 DIALOGUE WITH STATES, LOCAL (PUBLIC) AUTHORITIES AND REGULATORS

Dialogue with States, local public authorities and regulators was identified as a priority material challenge for the Group. Through its role as a developer, Eurotunnel is deeply committed to establishing a foothold in the Hauts-de-France region. After being the birthplace of the first industrial revolution (coal and the steam-powered engine) as well as withstanding the second, it is now diving into the third industrial revolution, with the combined momentum of energy transition and digital transformation. This industrial revolution, known as REV3 in Hauts-de-France, is a dynamic momentum by companies, public authorities and regions, schools, universities and citizens to be pioneers in social and environmental progress, and to reap the rewards in terms of value creation, competition, jobs and well-being. The Group financially supports the World Forum for a Responsible Economy in Lille. Launched by Réseau Alliances, this organisation aims to promote a responsible global economy, by sharing the best business practices of responsible companies.

6.7.2 TERRITORIAL ANCHORAGE (LOCAL IMPACT)

As an employer, Eurotunnel participates directly and actively in local economic development, and pursues its mission as a developer in consultation with stakeholders. As a committed partner in its economic and social environment, the Group has always been a leading economic player and local employer.

For over 25 years, the Tunnel has been a vital link between Great Britain and continental Europe. Since the Tunnel came into operation, it has created more than 8,000[41] direct and indirect jobs in the Kent and Hauts-de-France regions, and has led to the building of large scale associated infrastructure, including new motorways, high speed railway lines and international railway stations.

In order to promote local economic and social development, Getlink gets as close as possible to the territories. In fact, 69% of the Group's recruitment in 2019 were local, enabling Getlink to continue to strengthen its local foothold and work to promote local employment.

Pursuant to the regeneration agreement signed in 2006 with the French State, Eurotunnel continues to contribute financially and through its expertise to Calais Promotion, the development agency for the Calais area. This contribution is earmarked primarily for supporting job creation. Similarly, it provides financial support and actively participates in the cross-border job fair, Jobs Frontaliers, a local initiative that facilitates the professional mobility of young people between France, the United Kingdom and Belgium.

Through its commitment to Fondation Agir Contre l'Exclusion (FACE), which provides assistance to those most in need, the Group encourages its team members to get involved in and initiate humanitarian and charity projects. Several part time work contracts have been signed since 2013 between the subsidiary ESGIE and a person assisted by FACE Calais.

Other sub-contracting and service partnerships were signed between ESGIE and local companies to develop employment and guarantee a community foothold for the Group's activities. In 2019, these partnerships represented approximately 1,485 full-time equivalent (FTE) positions for different teams, notably service-based.

By investing in the international energy transport infrastructure, which is vital to regulate consumption at continent level, Getlink contributes to this movement: Getlink has invested more than €500 million in the ElecLink project, which includes the creation of a new 1GW connector between France and the UK via the Tunnel.

Eurotunnel's land reserves at Coquelles (Pas-de-Calais) were gradually transformed into a 700-hectare Zone d'Aménagement Concertée (ZAC or mixed development zone), that now includes a shopping centre drawing 6 million visitors a year on average.

Europorte is developing its rail freight haulage activities, which enable disused marshalling yards and railway lines, as well as lines with restricted traffic, to continue operating or to be brought back into service.

Together with the French State, the Hauts-de-France region, the Côte d'Opale Chamber of Commerce and Industry, the urban community of Dunkirk and SNCF Réseau, Getlink is financing feasibility studies on the modernisation of the Fréthun-Calais-Dunkirk railway line, which would involve its electrification and an increase in rail freight path availability.

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[41] *Evaluation of the footprint of the Channel Tunnel 10 years after it became operational (Université du Littoral Côte d'Opale – 2004).*

A key player in the natural, economic and human environment, Eurotunnel fulfils its social responsibility through concrete commitments and actions to support the community:

- Payment since 2010 of 10% of the land rental income from the wind farm on its Coquelles site to Secours Populaire, which distributes the payments in the form of "energy vouchers" to families in Pas-de-Calais. Following its expiry in 2019, the partnership agreement between Eurotunnel and Secours Populaire was renewed for two more years (2021).
- Active support for the French Second Chance Foundation, a recognised public interest group committed to the rehabilitation of people who have faced great difficulties in their lives.
- Support for project leaders and start-ups in the Calais area through the Maison du Numérique et de l'Innovation (Digital and Innovation Centre), which is chaired by Getlink's Chairman and CEO, Jacques Gounon. Opened in October 2019, this new structure is entirely dedicated to new technologies and aims to help a broader audience discover digital technology and recent developments. Comprising various rooms for training and an open space for co-working, it also has several 3D printers.
- Commitment to high-priority disadvantaged areas by signing a partnership agreement in July 2019 between Eurotunnel, the Grand Calais Terres et Mers urban area and the State, represented by the Prefect of Pas-de-Calais.

The ESGIE Social and Economic Committee regularly backs good causes actively supported by colleagues.

Since 2013, Getlink regularly turns to the Association des Paralysés de France (APF) for any service within the areas of expertise of its partner companies, which employ people with disabilities. The Group also regularly entrusts projects to APF workshops near Calais, notably specialising in mechanical welding, carpentry and packaging.

The Group invests heavily in young people and is developing its relationships with universities and schools with the aim of fostering a better understanding of its business and encouraging young people into the world of work:

- Training diploma in railway engineering and maintenance professions set up and developed by Europorte in close collaboration with the Conservatoire National des Arts et Métiers (CNAM);
- Partnerships with the Institut Catholique des Arts et Métiers (ICAM) and the Institut d'Administration des Entreprises (IAE), two Lille institutions, to develop a new approach to the maintenance trade;
- Participation since 2016 in the "Professeurs en entreprises" operation initiated by the Fondation C Génial, a foundation for scientific and technical culture. This operation is aimed at secondary school teachers (and other members of the national education system). In addition to encouraging the professional integration of young people, it promotes the sectors and the scientific and technical professions of the companies visited. Several Eurotunnel rolling stock managers took part in this activity.

Getlink also offers its expertise in managing transport infrastructures and rail activities to various public bodies at European, national and regional levels. The Group is:

- A founding member of the Fer de France association which was created in 2012 to bring together the leading players in the French railway industry. The work presided over by the Group led to proposals for the French state to recognise different professions in this developing sector.
- An active member of I-Trans, the global competitiveness cluster and the reference cluster for railways in France. The Group's Human Resources Director participates as the controller in the CAPFOR (training project management and coordination circle) operational group that aims to make existing training more consistent with the industry's expectations, creating a pool of expertise in the region and developing high quality higher education with international influence.
- As a partner of the École des Ponts et Chaussées, in July 2018 Getlink renewed the "Rail transport sciences" fellowship for five years. This partnership aims to make progress in rail science by studying the whole scope of the activity, as well as the sustainability of facilities and technologies in place.

Participation in coding: Eurotunnel welcomed young girls aged between 8 and 10 at a beginners' programming workshop. This initiative was aimed at awakening an interest in computing careers from the earliest age.

6.8 METHODOLOGY

Getlink's CSR reporting approach is based on the transparency principles of the Global Reporting Initiative (GRI), and aims to meet regulatory obligations relating to the Non-Financial Performance Statement (Déclaration de Performance Extra-Financière - DPEF) set out in articles R. 225-105, R. 225-105-1 and L. 225-102-1 of the French Commercial Code.

The Group's CSR data is consolidated under the responsibility of the Group Human Resources Department.

Consolidation period for CSR reporting

The period set for the annual reporting of CSR information is the calendar year (from 1 January 2019 to 31 December 2019).

The period set for the annual reporting of environmental information is a rolling year (from 1 October 2018 to 30 September 2019), due to the lack of availability of the data and auditable evidence in a timescale that is compatible with the publication of the Universal Registration Document.

Scope of consolidation

Data is consolidated for all Group entities, with the exception of ElecLink and Getlink SE for environmental data. ElecLink was not included in environmental data as it is not operating; it is currently at project stage. The construction work was not subject to an impact analysis, and therefore its inclusion in the Universal Registration Document did not appear necessary. The construction work relates to the installation of 51 km of DC cable in the existing North rail tunnel, the construction of two converter stations and the burying of AC cables through to the networks of the French operator RTE and the British operator NGET.

The French Environmental Code states that the need to conduct an impact analysis is assessed with regard to the project's main features, notably its nature, location, scale and elements likely to be significantly affected by the project (article R. 122-3). After examining the project's main features, the sensitivity of the area likely to be affected and the foreseeable impacts of this project, as well as its probable combined effects, the French Ministry of Ecology, Sustainable Development and Energy confirmed by letter dated 1 August 2014 that none of the three ElecLink and RTE projects required an impact analysis.

Choice of indicators

The purpose of the indicators is to monitor the commitments made by the Group and its progress in terms of environmental and workforce performance. The indicators were chosen by the Group because they are appropriate to its activities and serve the needs of stakeholders as well as its regulatory obligations.

Workforce indicators have been chosen to:

- Measure the results of the human resources policy and the Group's social commitments; and
- Take account of cultural differences and local disparities (different national law, varying legal obligations etc).

Environmental indicators have been chosen to:

- Serve environmental policy and reflect progress in the Group's different activities; the chosen indicators are appropriate to the Group's activities; and
- Allow monitoring of the Group's performance on key environmental challenges.

The following indicators have been excluded since they are not applicable to the Group's scope of activities: the campaign against food waste, the campaign against food insecurity, the respect for animal well-being and responsible, fair and sustainable nutrition.

Internal control and consolidation

Workforce information is collected from each entity through a computerised data feedback system, which includes consistency checks. The data is checked and validated by the Group's entities and consolidated across the entire scope by the Group Human Resources Department.

Each entity's environmental information is collected through the computerised data feedback system. The data is checked and validated by the Group's entities and consolidated across the entire scope by the Group Human Resources Department.

During consolidation of workforce and environmental data, consistency checks are carried out at Group level. The results are compared with previous years. Significant differences are thoroughly analysed and processed.

Corporate social information is collected, checked and validated at the level of each entity. It is then centralised by the Group Human Resources Department.

Further information and methodological limits of the indicators collected

The methodologies used for some workforce and environmental indicators may in practice be limited by:

- a lack of standardisation in national/international definitions and legislation;
- the representativeness of the measurements taken or limited availability of external data needed to calculate the indicator;
- the qualitative and therefore subjective nature of some data; and
- the practical methods used to collect and input this data.

The information relating to Installations Classified for the Protection of the Environment (ICPE) are presented in consolidated form in the environmental information published by the Group.

Consumption of natural gas

Consumption at Europorte's subsidiary sites not equipped with accessible meters has been extrapolated on the basis of a ratio of natural gas consumption/m²/day. This ratio was calculated based on data from sites equipped with usable meters.

Consumption of electricity

Electricity consumption at Europorte's subsidiary sites not equipped with accessible meters has been extrapolated on the basis of a ratio of electricity consumption/m²/day. This ratio was calculated based on data from sites equipped with usable meters.

For motor engines, the consumption of electricity has been estimated using kilometres travelled by engines, according to a methodology agreed by all the parties involved (Europorte, the French Rail Network/Network Rail and the energy supplier).

Greenhouse gas emissions

The calculation of emissions of greenhouse gases is based on the methodology developed by the Carbon Trust. For some incoming refrigerant data, the emission factors are based on the product safety data sheets. The emission factors used to convert the consumption of energy other than electricity are those provided by DEFRA.

Greenhouse gas emissions linked to electricity consumption are calculated based on the Location and Market Based methods (in accordance with the CDP and GHG Protocol) as described below:

- “Location Based” method: approach which reflects the country’s average electricity emissions. This method uses an average emission factor specific to the country’s energy mix,
- “Market Based” method: approach which reflects emissions from sources of electricity chosen intentionally by the business, such as renewable electricity purchases, via green certificates.

Following a change in the electricity supply contract for the UK from 1 January 2018, the Market Based methodology was chosen for the British scope and based on the emission factor reported by the supplier. The France scope uses the Location Based methodology and is based on the emission factor supplied by ADEME.

Waste products

Data relating to waste generated by operations at customers’ sites, collected for the monitoring of the activities of contractors, is excluded from the scope of reporting. Accordingly, only waste recovered on behalf of Europorte and its subsidiaries and listed on a waste tracking form is included in reporting.

Consumption of water

The consumption of water for the Europorte subsidiary sites not equipped with meters has been extrapolated by applying a ratio of consumption of water in cubic metres per employee present on site per day. This ratio was calculated based on data from sites equipped with usable meters.

Rate of absenteeism

In the calculation of the rate of absenteeism for the four French Europorte entities, the number of scheduled hours is obtained by multiplying the number of fulltime equivalent staff by the number of theoretical hours.

Training

The training budget is the sum of logistics costs (when available), external costs and the related staff costs.

Average training hours are obtained by dividing the total number of training hours by the total workforce present on 31 December of a given year (year N).

Rate of non-permanent employment

Trainees and students with work-study contracts are excluded when calculating this indicator.

External audit

An external check has been undertaken in respect of conformity of the Declaration with the stipulations of article R. 225-105 of the French Code of Commerce and the fairness of the information supplied pursuant to sub-paragraph 3 of I and II of article R. 225-105 of the French Code of Commerce communicated in this report in accordance with article R. 225-105-2 of the French Code of Commerce. In 2019, the audit was led by KPMG. The 2019 assurance report expresses reasonable assurance for three environmental indicators and ten workforce indicators (information marked √) and limited assurance for all other information presented in the Non-financial Performance Statement of this Universal Registration Document.

6.9 GRI 4 CROSS-REFERENCE TABLE

The Global Reporting Initiative, or GRI, was created in 1977 by the association of CERES (Coalition for Environmentally Responsible Economies) and UNEP (United Nations Environment Programme) to establish a set of indicators to measure the level of progress of corporate sustainable development programmes. To this end, it proposes a series of standards to report on different levels of performance in economic, social and environmental terms.

Because the GRI standards are an international reference for reporting on environmental, social and economic performance and impacts, and in the interest of transparency and comparability of published data, the Group has chosen to use the principles to help the Group implement the OECD Guidelines for Multinational Enterprises (2011) and the "Ten Principles" of the United Nations Global Compact (2000), as well as to help define the content and quality of the information provided. The Group has chosen to present a cross-reference table in order to establish equivalences when these are complete and relevant. This table will make it easier for the reader to identify the information sought while ensuring the link between the Group's reporting systems and the GRI reference framework (fourth generation GRI G4). Cases where equivalence is partial or the indicator is not relevant are indicated by the following symbol ♦.

Grenelle 2 – article R. 225-105-1	GRI equivalent G4	Title	Equivalent in chapter 6 of the Universal Registration Document
WORKFORCE INFORMATION			
Employment			
Total workforce	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution.	6.5.4 Employee health & safety
Breakdown of employees by gender	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution.	6.5.4 Employee health & safety
Breakdown of employees by age	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution.	6.5.4 Employee health & safety

Grenelle 2 – article R. 225-105-1	GRI equivalent G4	Title	Equivalent in chapter 6 of the Universal Registration Document
Breakdown of employees by geographical region	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution.	6.5.4 Employee health & safety
Hirings	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution.	6.5.4 Employee health & safety
Dismissals	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution.	6.5.4 Employee health & safety
Remuneration	LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation. ♦	6.5.1/6.5.3 Attractiveness and career management / Gender equality
Changes in remuneration	LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation. ♦	n/a
Work Organisation			
Organisation of work time	LA	Labour practices and decent work.	6.5.2 Modernisation of social dialogue (labour relations)
Absenteeism	LA6	Rate and type of work-related accidents, occupational disease, absenteeism, proportion of lost workdays and total number of work-related fatalities by region and gender.	6.5.4 Employee health & safety
Labour Relations			
Organisation of social dialogue	HR4	Identified sites and suppliers in which the right to freedom of association and to collective bargaining may be not respected or seriously under threat and measure taken to ensure respect for this right. ♦	6.5.2 Modernisation of social dialogue (labour relations)
Organisation of social dialogue	LA4	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements. ♦	6.5.2 Modernisation of social dialogue (labour relations)
Health and Safety			
Occupational Health and Safety	LA5	Percentage of total workforce represented in joint occupational health and safety committees that help monitor and advise. ♦	6.5.4 Employee health & safety
Agreements signed with trade unions on workplace health and safety	LA8	Health and safety topics covered in formal agreements with trade unions.	6.5.4 Employee health & safety
Frequency rate of workplace accidents	LA6	Rate and type of work-related accidents, occupational disease, absenteeism, proportion of lost workdays and total number of work-related fatalities by region and gender.	6.5.4 Employee health & safety
Severity rate of workplace accidents	LA6	Rate and type of work-related accidents, occupational disease, absenteeism, proportion of lost workdays and total number of work-related fatalities by region and gender.	6.5.4 Employee health & safety
Occupational diseases	LA7	Employees exposed directly and frequently to diseases related to their activity. ♦	6.5.4 Employee health & safety
Training			
Total number of training hours	LA9 / LA10	Average hours of training per year per employee, by gender and employee category. Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	6.5.4 Employee health & safety
Diversity and equal opportunities			
Diversity and equal opportunities policy and actions	LA12 / EC5 / EC7	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	6.5.1 Attractiveness and career management

Grenelle 2 – article R. 225-105-1	GRI equivalent G4	Title	Equivalent in chapter 6 of the Universal Registration Document
Gender equality	LA13	Ratio of basic salary and remuneration of women to men by employee category and by significant locations of operation. ♦	6.5.3 Gender equality
Employment and integration of disabled people	LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity. ♦	6.5.1 Attractiveness and career management
Policies to prevent discrimination and promote diversity	LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity. ♦	6.5.1 Attractiveness and career management
Promotion and respect of ILO values (Human Rights)			
	LA and HR	Labour Practices and Decent Work / Human Rights.	6.3.9 Governance and business ethics
ENVIRONMENTAL INFORMATION			
General Environmental Policy			
Company organisation to take into account environmental issues. Environmental assessment or certification where required	Management approach	Disclosures that cover how an organisation addresses a given set of topics in order to provide context for understanding performance in a specific area.	6.6 Environmental protection
Employee training and communication on environmental protection	Management approach	Disclosures that cover how an organisation addresses a given set of topics in order to provide context for understanding performance in a specific area.	6.6 Environmental protection
Allocation of resources to prevent environmental risks and pollution	EN31	Total environmental protection expenditures and investments by type. ♦	6.6 Environmental protection
Amount of provisions and guarantees for environmental risks (unless there is risk of serious harm)	EN29 / EN34	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations Number of environmental impact grievances filed, reviewed and resolved through formal grievance mechanisms. ♦	6.6 Environmental protection
Pollution			
Prevention, reduction or compensation measures for air emissions or water and soil discharges that seriously affect the environment	EN23 / EN24 / EN25	Total weight of waste by type and disposal method Total number and volume of significant spills Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	6.6.3 Waste management and the circular economy
Taking account of noise and other forms of pollution specific to an activity	EN24	Number and total volume of substantial discharges. ♦	6.6.3 Waste management and the circular economy
Recycling			
Waste prevention and waste management			
Measures for the prevention, recycling, reuse, other forms of recovery and elimination of waste	EN23 / EN25	Total weight of waste by type and disposal method Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	6.6.3 Waste management and the circular economy
Fight against food waste		n/a ♦	n/a

Grenelle 2 – article R. 225-105-1	GRI equivalent G4	Title	Equivalent in chapter 6 of the Universal Registration Document
Recycling			
Sustainable use of resources			
Water consumption and water supply according to local constraints	EN8 / EN9 / EN10	Total water withdrawal by source Water sources significantly affected by withdrawal of water. Percentage and total volume of recycled and reused water.	6.6.1 Energy transition and the fight against climate change
Consumption of raw materials and measures taken to improve efficiency in their use	EN1 / EN2	Consumption of materials by weight or volume. Percentage of materials from recycled materials. ♦	n/a
Energy consumption and measures taken to improve energy efficiency and renewable energy use	EN3 / EN6 / EN7	Energy consumption within the organisation. Reduction of energy consumption. Reduction of energy requirements for products and services.	6.6.1 Energy transition and the fight against climate change
Soil use	EN5 / EN6 / EN7		6.6.1 Energy transition and the fight against climate change
Climate change			
The significant sources of greenhouse gas emissions	EN15 to EN21	Direct greenhouse gas emissions (scope 1). Indirect greenhouse gas emissions (scope 2) related to energy. Other indirect greenhouse gas emissions (scope 3). Intensity of greenhouse gas emissions. Reduction of greenhouse gas emissions. Emissions of ozone-depleting substances. NOx, SOx and other significant air emissions. Total water discharges by type and destination. Total weight of waste by type and method of treatment. Number and total volume of substantial discharges.	6.6.1 Energy transition and the fight against climate change
Adaptation to the impact of climate change	EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change. ♦	6.6.1 Energy transition and the fight against climate change
Protection of biodiversity			
Measures taken to protect and improve biodiversity	EN11 to EN14	Operational sites held, leased or managed in or adjacent to protected areas, as well as areas rich in biodiversity outside these protected areas. Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas. Habitats protected or restored. Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	6.6.2 Preservation of natural environments (protecting natural areas)
SOCIETAL COMMITMENTS IN FAVOUR OF SUSTAINABLE DEVELOPMENT			
Territorial, economic and social impact of organisational activity			
On employment and regional development	EC7 / EC8	Development and impact of infrastructure investments and services supported. Substantial indirect economic impacts, including the extent of impacts.	6.7.2 Territorial anchorage (local impact)
On residents or local populations	SO1 / SO2	Percentage of sites having implemented local community engagement, impacts assessments and development programs. Operations with significant actual and potential negative impacts on local communities. ♦	6.7.2 Territorial anchorage (local impact)
Relations with stakeholders			
Conditions of dialogue with people and organisation	G4-24 to G4-27		6.7.1 Dialogue with States, local (public) authorities and regulators
Sponsorship and partnership actions	EC1	Direct economic value generated and distributed.	6.7.2 Territorial anchorage (local impact)

Grenelle 2 – article R. 225-105-1	GRI equivalent G4	Title	Equivalent in chapter 6 of the Universal Registration Document
Sub-contracting and suppliers			
Consideration of social and environmental issues in procurement policies	EC6 / HR10	Percentage of new suppliers that were screened using human rights criteria. ♦	6.3.8 Responsible purchasing (procurement)
Importance of sub-contracting and consideration of CSR in relations with suppliers and sub-contractors	SO9	Percentage of new suppliers that were screened using criteria for impacts on society. ♦	6.3.8 Responsible purchasing (procurement)
Fair practices			
Actions taken to prevent all forms of corruption	SO3 / SO4 / S05	Percentage and total number of business units assessed for risks related to corruption and significant risks identified. Communication and training on anti-corruption policies and procedures. *Cf Ethics and Behaviour Charter*	6.3.8 Responsible purchasing (procurement)
Measures taken for consumer health and safety	PR1 / PR2	Percentage of significant categories of products and services for which health and safety impacts are assessed for improvement. Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	6.4.2 Safety and security of freight and passenger transport

6.10 LIST OF NON-FINANCIAL INDICATORS

All information identified by the symbol ✓ was verified with a reasonable level of accuracy by an independent third party.

6.10.1 EMPLOYMENT

Workforce and geographical distribution

Number of employees at 31 December		2019		2018		2017
France		2,580		2,554		2,452
United Kingdom		959		963		948
Total	✓	**3,539**	✓	**3,517**	✓	**3,400**

Breakdown of workforce by gender

Number of employees at 31 December		2019		2018		2017
Men	✓	2,709	✓	2,679	✓	2,587
Women	✓	830	✓	838	✓	813
Total		**3,539**		**3,517**		**3,400**

Breakdown of workforce by age group

Number of employees at 31 December	2019	2018	2017
Under 25 years	106	125	125
25 - 29 years	353	376	338
30 - 34 years	413	392	368
35 - 39 years	344	319	298
40 - 44 years	347	386	422
45 - 49 years	673	716	748
50 - 54 years	645	600	533
55 - 59 years	422	385	365
60 - 64 years	186	170	169
65 years and over	50	48	34
Total	**3,539**	**3,517**	**3,400**

Work-study

Number of employees	2019	2018	2017
Student apprentices	73	79	82
Professional training contracts	129	114	105
Trainees	139	144	94
Total	✓ **341**	✓ **337**	✓ **281**
Number of work-study contracts and trainees transformed into permanent / fixed-term contracts	✓ 8	✓ 8	n/a

Recruitment

Number of employees	2019	2018	2017
Permanent employment	186	291	256
Fixed-term employment	50	44	40
Total	**236**	**335**	**296**

Departures

Number of employees	2019	2018	2017
Dismissal	17	19	44
Layoff	2	5	6
Contractual termination and termination by mutual consent	15	26	19
Resignation	59	56	53
Retirement	42	31	35
End of contract	39	32	36
Transfer within the Group	13	6	14
Transfer outside the Group	10	–	11
Unsuccessful trial period	7	35	12
Death	5	4	3
Total	**209**	**214**	**233**

Working hours

Breakdown of workforce	2019	2018	2017
Staggered hours	66.6%	67.2%	67.1%
Office hours	33.4%	32.8%	32.9%
Part-time	6.2%	6.3%	6.2%
Full-time	93.8%	93.7%	93.8%

Gross total wage bill and employee contributions

€'000	2019	2018	2017
Gross total wage bill	163,057	156,101	149,723
Social security contributions	39,089	37,864	36,518

Indicator: number of overtime hours

	2019	2018	2017
Number of overtime hours	108,334	115,927	117,180

Absenteeism

	2019	2018	2017
Absenteeism rate	✓ 4.8%	✓ 4.4%	✓ 4.5%

Lost-time accidents

		2019		2018		2017
Frequency rate[1]	✓	3.1	✓	5.7	✓	7.4
Severity rate[2]	✓	0.3	✓	0.3	✓	0.6

[1] *The frequency rate for lost time work-related accidents corresponds to the number of lost time accidents that occurred during the year for the Group's workforce, work-study and temporary workers multiplied by 1,000,000 and divided by the number of hours actually worked and paid.*

[2] *The severity rate of work-related lost time accidents is the number of calendar days taken off by the workforce concerned during the year resulting from work-related accidents, multiplied by 1,000 and divided by the number of hours actually worked and paid for.*

Training

		2019		2018		2017
Number of training hours	✓	98,610	✓	107,641	✓	109,072
Average number of training hours	✓	28	✓	31	✓	32
Cost of training (in €000)		4,504		4,973		4,411
Proportion of the total wage bill represented by training		2.76%		3.19%		2.95%

Workforce external to the company

	2019	2018	2017
Average monthly temporary workforce	249	234	230
Sub-contracting costs (in €'000)	73,400	63,400	78,061

6.10.2 NATURE

Greenhouse gases (GHG) emission indicator (scope 1 and scope 2 of the Kyoto protocol[42])

Tonnes of CO_2 equivalent		2019		2018		2017
France		54,263		60,703		69,854
United Kingdom		3,604		5,965		29,335
Total	✓	**57,867**	✓	**66,668**	✓	**99,189**

Energy source indicator

Energy source: total consumption in year	Unit	2019	2018	2017
Electricity	kWh	570,302,190	572,220,723	570,049,202
Natural gas	kWh	7,057,411	7,551,021	8,079,345
Non-road diesel (NRD)	Litres	7,751,309	8,900,582	8,822,595
Liquid petroleum gas (LPG)	Litres	3,504	4,378	7,074
Diesel	Litres	703,148	792,500	799,615
Petrol	Litres	53,692	42,989	39,844

Water consumption indicator

Cubic metres	2019	2018		2017
Water from public network				
France	144,582	147,426		129,723
United Kingdom	97,698	133,763		144,978
Total	**242,280**	**281,189**	✓	**274,701**
Groundwater				
France	29,038	29,178		30,457
United Kingdom	0	0		0
Total	**29,038**	**29,178**	✓	**30,457**

[42] *Emissions linked to the use of fossil fuels in combustion facilities or in transport vehicles (scope 1), as well as fugitive emission of refrigerant fluids, SF6 and halon 1301 (scope 1) and indirect emissions linked to electrical power purchase (scope 2).*

Waste indicator

Tonnes		2019		2018		2017
Hazardous industrial waste						
France		198		346		183
United Kingdom		281		246		221
Total	✓	**479**	✓	**592**	✓	**404**
Non-hazardous industrial waste						
France		1,959		2,799		2,860
United Kingdom		1,453		1,763		2,824
Total	✓	**3,412**	✓	**4,562**	✓	**5,684**
Waste recovery rate in France	✓	94.4%	✓	92.9%		n/a

6.11 REPORT BY THE INDEPENDENT THIRD PARTY ON THE NON-FINANCIAL PERFORMANCE STATEMENT INCLUDED IN THE GROUP MANAGEMENT REPORT

This is a free translation into English of the independent third party's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended 31 December 2019

To the Annual General Meeting,

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (Comité Français d'Accréditation or COFRAC) under number 3-1049[43], we hereby report to you on the consolidated non-financial performance statement for the year ended 31 December 2019 (hereinafter the "Statement"), included in the Group management report pursuant to the requirements of articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code (Code de commerce).

Responsibility of the entity

The Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available upon request at the entity's head office.

Independence and quality control

Our independence is defined by the requirements of article L.822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the Statutory Auditor appointed as independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R.225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R.225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

Our responsibility is also to provide a report expressing, at the request of the entity and outside of the scope of accreditation, a reasonable assurance conclusion that information selected by the entity, presented in Appendix and identified with the symbol √ in chapter "Corporate social responsibility" has been prepared, in all material respects, in accordance with the Guidelines.

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of Article A.225-1 *et seq*. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes or CNCC) applicable to such engagements and with ISAE 3000[44]:

- We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;

[43] *Accreditation scope available at www.cofrac.fr.*

[44] *ISAE 3000: international standard on assurance engagements other than audits or reviews of historical financial information.*

- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in article L.225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- We verified that the Statement provides the information required under article R.225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes an explanation for the absence of the information required under article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as its their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risks[45], our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities[46].
- We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L.233-16 of the French Commercial Code within the limitations set out in the Statement;
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 98% and 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of five people between September 2019 and February 2020 and took a total of approximately 14 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted some 10 interviews with the people responsible for preparing the Statement.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Reasonable assurance report on a selection of non-financial information

Nature and scope of our work

With regard to the information selected by the entity presented in Appendix and identified with the symbol √ in the chapter "Corporate social responsibility", we conducted the same procedures as those described in the paragraph "Nature and scope of our work" (for the most important non-financial information). However, these procedures were more in-depth, particularly regarding the number of tests.

Consequently, the selected sample represents between 98% and 100% of the information identified with the symbol √.

We believe that these procedures enable us to express reasonable assurance regarding the information selected by the entity and identified with the symbol √.

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45 *Exceptional weather conditions; Rail collision/derailment/accident; Infrastructure failure; Terrorist threats or attacks targeting the Fixed Link; Poor complaint management; Lack of fluidity of customer flows; Corruption and failure to comply with anti-corruption regulations; Non-compliance with obligations linked to protection of personal data.*

46 *Eurotunnel Services GIE, Europorte France, France Manche SA (France), Eurotunnel Services Ltd, The Channel Tunnel Group Ltd (United Kingdom).*

Conclusion

In our opinion, the information selected by the entity and identified with the symbol √ in the chapter "Corporate social responsibility" has been prepared, in all material respects, in accordance with the Guidelines.

Paris La Défense, 26 February 2020

KPMG S.A.

Anne Garans
Partner
Sustainability Services

Philippe Cherqui
Partner

Appendix

Qualitative information (actions and results) considered most important
Initiatives in favour of the development of innovation
Dialogue with States, communities and regulators
Measures implemented in favour of service quality and customer experience
Actions taken in favour of workplace wellness
Organisation of social dialogue
Actions taken for developing the attractiveness and ensure professional career management
Actions in support of gender equality
Processes implemented in favour of ethics and the fight against corruption
Processes implemented in favour of personal data protection (GDPR)
Actions taken in favour of energy transition and the fight against climate change
Processes implemented for waste management and in favour of circular economy

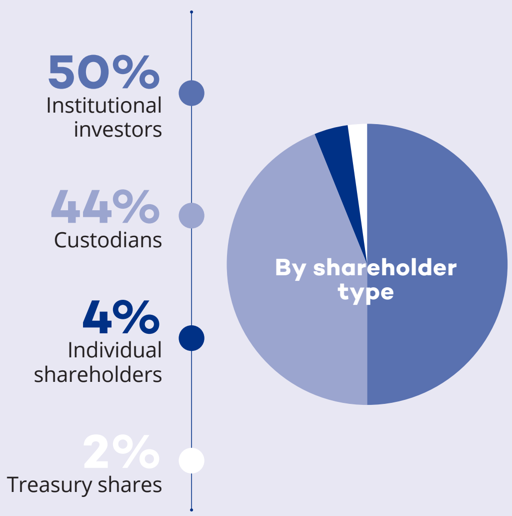
Key performance indicators and other quantitative results considered most important	Level of assurance
Number of collisions	Limited
Number of passenger deaths	
Customer satisfaction rate	
Water consumption	
Workforce and breakdown of workforce by gender	Reasonable
Average age	
Management rate	
Average number of training hours per person	
Rate of non-permanent employment	
Number of work-study contracts and trainees	
Number of work-study contracts and trainees transformed into permanent / fixed-term contracts	
Frequency rate of work-related accidents with lost time	
Severity rate of work-related accidents	
Absenteeism rate	
Greenhouse gas emissions (scopes 1 and 2) against revenue	
Quantity of waste produced (hazardous and non-hazardous waste)	
Waste recovery rate (hazardous and non-hazardous waste) on the French scope	

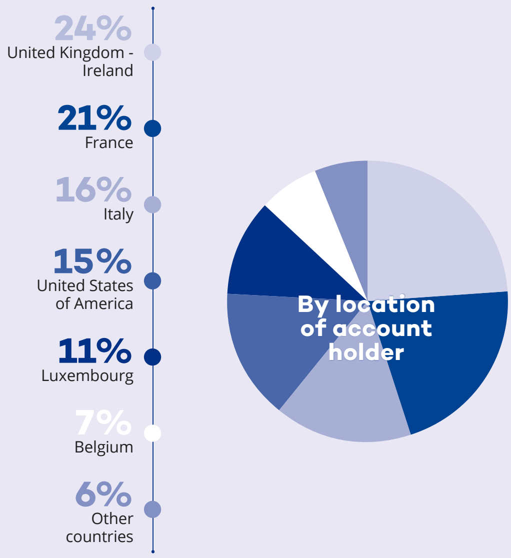
SHARE CAPITAL AND OWNERSHIP

GET share fact sheet

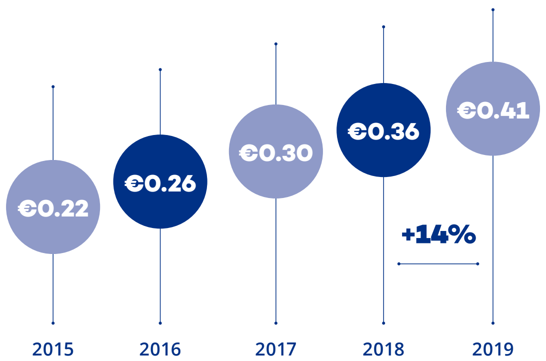
ISIN code:
FR0010533075
Ticker symbol:
GET
Trading platforms:
Euronext Paris and London
Share savings plan (PEA) scheme:
eligible
Main indices:
CAC Next 20,
SBF 120,
FTSE All-World,
FTSE Medium Cap,
DJ Stoxx 600,
Next 150,
MSCI World Index,
MSCI Europe.

CAPITAL BREAKDOWN*





DIVIDEND PER SHARE



+86%
increase in dividend in 5 years

€1.4Bn
total return to shareholders (dividends + share buybacks) since the 1st distribution in 2008

€9Bn
Market capitalisation as at 25 February 2020

Shareholders event: Eurotunnel site visits

On 19 October 2019, Getlink welcomed to the Coquelles terminal nearly a hundred individual shareholders, interested in knowing better the activity of Eurotunnel. During the 90-minute guided tours, they were able to discover behind-the-scenes at the Channel Tunnel, the terminal, the service tunnel and the maintenance area as well as the new installations created for Brexit. These visits were a great opportunity to exchange views and for convivial meetings between shareholders and some representatives of the Group.

** Source: based on January 2020 bearer identification analysis (TPI) covering holders of 1,000 or more shares on the registers of Société Générale Securities Services and Computershare.*

7 SHARE CAPITAL AND OWNERSHIP

7.1	**SHARE CAPITAL**	**253**
7.1.1	Amount of share capital (article 6 of the Getlink SE Articles of Association)	253
7.1.2	Form and transfer of ordinary shares (articles 9 and 10 of the Getlink SE Articles of Association)	253
7.1.3	Other securities	253
7.1.4	Authorised but unissued share capital, commitments to share capital increases	253
7.1.5	Share capital history over the last three years	256
7.2	**DIVIDEND POLICY**	**256**
7.3	**SHARE BUYBACK**	**257**
7.3.1	Description of the 2019 share buyback programme	257
7.3.2	Summary of transactions carried out by Getlink SE on its own securities under the buyback programme approved by the Combined General Meeting on 18 April 2019	257
7.4	**MAJOR SHAREHOLDERS**	**258**
7.4.1	Major shareholders	258
7.4.2	Control	259
7.5	**TRAVEL PRIVILEGES**	**260**

7 SHARE CAPITAL AND OWNERSHIP

7.1 SHARE CAPITAL

7.1.1 AMOUNT OF SHARE CAPITAL (ARTICLE 6 OF THE GETLINK SE ARTICLES OF ASSOCIATION)

On 31 December 2019 and at the date of this Universal Registration Document, the share capital of Getlink SE was €220,000,011.27, divided into 550,000,000 ordinary shares with a nominal value of €0.40 each, fully paid-up and 1,127 preference shares with a nominal value of €0.01 fully paid-up.

The share capital may be increased or reduced by a collective decision of the shareholders in accordance with applicable laws and Getlink SE's Articles of Association.

As at the date of this Universal Registration Document, Getlink SE is not aware of any charge over any significant proportion of its share capital.

7.1.2 FORM AND TRANSFER OF ORDINARY SHARES (ARTICLES 9 AND 10 OF THE GETLINK SE ARTICLES OF ASSOCIATION)

Unless otherwise provided by law or regulations, ordinary shares are held in registered or bearer form, as the shareholder chooses.

The ordinary shares are freely tradeable. They must be held in a securities account and are transferred by inter-account transfer under the conditions set forth by applicable laws and regulations.

7.1.3 OTHER SECURITIES

As at the date of this Universal Registration Document, apart from the Senior Secured Notes hereinafter mentioned Getlink SE has issued no securities that do not represent share capital nor any securities redeemable in shares or securities with warrants attached. On 3 October 2018, Getlink SE issued €550 million Senior Secured Notes. The notes are listed on the Official List of the Irish Stock Exchange and are admitted to trading on the Global Exchange Market. The notes were issued at par and carry interest at an annual rate of 3.625%, payable half yearly on 30 June and 30 December. The notes align with the principles of Green Bonds published by the International Capital Markets Association in June 2018 (rating BB (negative) by S&P and BB+ (stable) by Fitch). The notes are described in section 8.2.5 of this Universal Registration Document.

7.1.4 AUTHORISED BUT UNISSUED SHARE CAPITAL, COMMITMENTS TO SHARE CAPITAL INCREASES

There were 550,000,000 ordinary shares in issue at 31 December 2019.

The table below summarises the authorisations granted to the Board by the Getlink SE Combined General Meeting, held when first convened on 18 April 2019, in order to increase the share capital.

The number of financial authorisations has gradually reduced since 2007. Apart for the authorisations required by law for employees, only two authorisations are now presented to the vote: share capital increases with preferential subscription rights and share capital increases with contribution in kind.

Current authorisations

Brief summary	Date of grant of the delegation of authority	Maximum nominal amount of the authorisation	Duration	Use made as of the date of this document
Delegation of authority granted to the Board to increase the share capital by issuing ordinary shares or any securities convertible into ordinary shares of the company or shares in a subsidiary, with shareholders' preferential subscription rights maintained (14th resolution)	18 April 2019	40% of share capital €88 million €900 million (debt instruments)	26 months	None
Delegation of authority granted to the Board to issue ordinary shares or convertible securities giving access to the capital in consideration for contributions in kind relating to equity securities (15th resolution)	18 April 2019	10% of share capital €22 million €900 million	26 months	None
Delegation of authority granted to the Board to increase the share capital to the benefit of employees (21st resolution)	18 April 2019	€2 million	26 months	None
Overall limitation of the authorisations above, i.e. resolution 14 and 15 (16th resolution)	18 April 2019	40% of share capital €88 million including a lower limit of 10% of share capital for increases without preferential subscription rights. €900 million (debt instruments)	26 months	None

Share capital subject to options

By authority of the Combined General Meeting of the company held on 26 May 2010, the Board approved the terms of a share option scheme and proceeded to make three grants in 2010, 2011 and 2012. The exercise price and performance conditions for these options are detailed in note E.5.1 to the consolidated financial statements in section 2.2.1 of this Universal Registration Document.

Date of grant / main staff concerned	Number of options at 31 December 2019	Conditions for acquiring rights	Contractual duration of options
2010 options granted to key executives and senior staff	Granted: 1,164,000 Exercisable: 79,000	Staff must remain as employees of the Group until the exercise of options. Internal performance (EBITDA and dividend) and market conditions (performance of the ordinary share superior to that of the SBF120 index) were met for 100% of the options.	4 years
2011 options granted to key executives and senior staff	Granted: 1,430,000 Exercisable: 76,700	Staff must remain as employees of the Group until the exercise of options. Internal performance conditions (EBITDA and dividend) have been met for 50% of the options and 50% of the options were forfeited in 2012 and 2013, as the market conditions (performance of the ordinary share superior to that of the SBF120 index) were not met.	4 years
2012 options granted to key executives and senior staff	Granted: 1,405,000 Exercisable: 181,455	Staff must remain as employees of the Group until the exercise of options. Internal performance conditions (EBITDA and dividend) were met for 50% of the options and 25% of the options were forfeited in 2013 as the market conditions in 2012 were not met. The market condition in 2013 was met.	4 years

The Board has allocated 337,155 ordinary shares held as part of the share buyback programme to cover these options.

Free shares – collective plans

Since 2011, by authority of the General Meeting the Board of Directors has proceeded to grant a free allocation of ordinary shares to each of the Group's employees (except for senior management and executive officers of Getlink SE who have renounced their allocation) i.e. 200 ordinary shares (2011), 310 ordinary shares (2012), 100 ordinary shares (2014), 150 ordinary shares (2015), 75 ordinary shares (2016), 75 ordinary shares (2017) and 100 ordinary shares (2018) per employee respectively.

Further to the approval of the shareholders' General Meeting held on 18 April 2019 of a collective free share plan of existing ordinary shares, the Board that day granted 447,750 free ordinary shares to all employees of Getlink SE and of companies or entities related to it on the basis of 125 ordinary shares per employee. The definitive acquisition of these ordinary shares is conditional on staff remaining as employees of the Group and the shares continuing to be held for a minimum period of four years.

Preference shares

Getlink SE issued preference shares convertible into ordinary shares subject to performance conditions to the Group's senior management staff in accordance with the authorisation given by the General Meeting on 29 April 2014 (B preference shares), by the General Meeting on 29 April 2015 (C preference shares), by the General Meeting on 18 April 2018 (D preference shares) and by the General Meeting on 18 April 2019 (E preference shares), convertible into ordinary shares subject to certain performance conditions.

The B preference shares, issued in accordance with the authorisation of the General Meeting on 29 April 2014, were converted into ordinary shares in April 2018. Each B preference share was converted into 4,430 ordinary shares, i.e. a conversion rate of 88.60%.

The C preference shares, issued in accordance with the authorisation of the General Meeting of 29 April 2015, were converted into ordinary shares in 2019. On 30 April 2017, at the end of the two-year vesting period for the C preference shares for French tax residents, the C preference shares were issued: the allocation of the C preference shares depended on the level by which the EBITDA objectives for the two years as communicated to the market had been exceeded. The Board stated that the average level by which the EBITDA target announced to the market over two years had been exceeded corresponded to an allocation of 66% of the C preference shares. Each C preference share was converted in 2019 into 262 ordinary shares i.e. on the basis of 1,092 C shares, a total of 286,104 ordinary shares were allocated with a final conversion rate of 34%.

The Extraordinary General Meeting of 18 April 2018 authorised the creation by the Board of Directors of the D preference shares, convertible into ordinary shares at a maximum conversion ratio of 1,000 ordinary shares. The one-year vesting period for French tax residents expired on 18 April 2019 and the issue of 1,127 D preference shares was materially completed. These shares are described in section 8.3.2 of this Universal Registration Document.

Free ordinary shares subject to performance conditions

The General Meeting of 27 April 2016 authorised the grant of 1,200,000 ordinary shares subject to performance conditions to the Group's senior staff subject to the following performance conditions:

- The performance including dividends (TSR) of the Getlink SE ordinary share compared to the median TSR of the components of the Dow Jones Infrastructure Index over a period of three years (40%);
- The economic performance of the business assessed by reference to the average EBITDA rate of achievement (50%);
- CSR performance: an internal condition that represents 10% of the total that can be granted and depends on the CSR composite index (10%).

At the end of the three-year vesting period, the Board of Directors stated that the overall weighting linked to the achievement of the performance conditions amounted to 0.64. The number of ordinary shares granted in 2019 under the 2016 plan amounted to 755,040 (after deduction, where applicable, of shares cancelled in accordance with the terms of the plan concerned), based on a conversion ratio of 64%.

The General Meeting of 27 April 2017 authorised the grant of a total of 1,200,000 ordinary shares to members of the Group's senior staff subject to the following performance conditions:

- The average performance including dividends (TSR) of the Getlink SE ordinary share over a period of three years compared to the performance of the Dow Jones Infrastructure Index (40%);
- The economic performance of the business, assessed by reference to the average EBITDA rate of achievement over a period of two years covering 2018 and 2019 (50%);
- The performance of the CSR composite index (10%).

Potential volume of all ordinary share plans

As at 31 December 2019, the total number of stock options granted but not yet exercised (after deduction, if applicable, of stock options cancelled in accordance with the terms of the relevant plan) was 337,155 (31 December 2018: 677,925) representing approximately 0.06% of the share capital of Getlink SE as at 31 December 2019.

As at 31 December 2019, the total number of free ordinary shares granted to employees still with the Group was 430,000 ordinary shares (31 December 2018: 535,800), representing 0.08% of the share capital as at 31 December 2019.

As at 31 December 2019, the total number of D preference shares allotted but not yet irrevocably vested (after deduction, if applicable, of shares cancelled in accordance with the terms of the relevant plan) was 1,500 of which 1,127 related to the plan applicable to French tax residents (31 December 2018: 150,000), representing 1,500,000 ordinary shares, or approximately 0.27% of the share capital of Getlink SE as at 31 December 2019.

As at 31 December 2019, the total number of E preference shares allotted but not yet irrevocably vested (after deduction, if applicable, of shares cancelled in accordance with the terms of the relevant plan) was 1,465 (31 December 2018: 0), representing 1,465,000 ordinary shares, or approximately 0.27% of the share capital of Getlink SE as at 31 December 2019.

As at 31 December 2019, the total number of free ordinary shares with performance conditions, granted but not yet irrevocably vested (after deduction, if applicable, of shares cancelled in accordance with the terms of the relevant plan) was 1,193,500 (31 December 2018: 2,379,750), or 0.22% of the share capital as at 31 December 2019.

The potential volume of all share plans existing above corresponds to 0.90% of Getlink SE's share capital.

The average annual burn rate of the company over the past three fiscal years corresponds to 0.32%.

Year	2019	2018	2017
Annual rate	0.35%	0.34%	0.26%

On 31 December 2019, the Group's employees held 3,807,037 ordinary shares, which represented 0.69% of the share capital and of which 2,327,350 ordinary shares (approximately 0.42% of the total share capital) were held in the Group savings plan in France and 395,510 ordinary shares in the Share Incentive Plan in the United Kingdom. In addition, under the free shares scheme French and British employees hold 991,146 ordinary shares and 1,127 preference shares in French registered form and, through a trustee, 93,031 ordinary shares in British registered form.

The number of free shares which have been granted or waived during the financial period is detailed in note E.5 to the consolidated financial statements in section 2.2.1 of this Universal Registration Document.

7.1.5 SHARE CAPITAL HISTORY OVER THE LAST THREE YEARS

Over the course of the last three financial years, the share capital of Getlink SE has stayed at 550,000,000 fully paid up ordinary shares with a nominal value of €0.40 each. As indicated in section 7.1.4 of this Universal Registration Document, Getlink SE has authorised the issue of preference shares convertible into ordinary shares.

7.2 DIVIDEND POLICY

Getlink SE's net profit for the 2019 financial year amounted to €164,897,278. The Combined General Meeting on 30 April 2020 will be asked to approve the company's statutory accounts for the year ended 31 December 2019 showing this profit, as well as the transactions reflected in those financial statements, including non-deductible charges (€48,705.56) corresponding to the surplus of the depreciation of the rent on tourist vehicles (article 39-4 of the French General Tax Code).

Confident in the robustness of its business model and the sound results for 2019, the Group confirms its intention to pursue its dividend policy for the benefit of its shareholders. It will therefore be proposed at the General Meeting that the dividend be increased to €0.41 per share for the 2019 financial year, an increase of 14% compared to 2018.

A dividend distribution of €225,500,000 for the 550,000,000 ordinary shares comprising the share capital and with dividend rights less shares held by the company on the date of distribution will be proposed at the General Meeting. It will be proposed that €164,897,278 of the profit for the 2019 financial year be appropriated to the dividend distribution as well as €60,602,722 of the carried forward balance:

Net profit for the financial year	€164,897,278
Profits carried forward	€190,066,604
Legal reserve	€22,422,885
Dividends	€225,500,000
Balance carried forward	€129,463,882

If, on the date of the distribution of the dividend, the company holds some of its own shares, the amount not paid because of these treasury ordinary shares will be allocated to the balance carried forward.

Getlink SE has made the following dividend distributions over the course of the last three years:

Financial year	2018	2017	2016
Dividend per ordinary share	€0.36	€0.30	€0.26
Theoretical number of ordinary shares involved	550,000,000	550,000,000	550,000,000
Theoretical value of amount allocated to distribution	€198,000,000	€165,000,000	€143,000,000
Actual number of ordinary shares involved*	536,151,198	534,617,424	534,633,788
Actual value of amount allocated to distribution*	€193,014,431	€160,385,227	€139,004,785

* *After adjustment resulting from treasury shares.*

The dividend policy is determined by the Board; it takes into account the Group's investment needs, the economic context and all other factors deemed relevant.

The Group's priority is to ensure a regular increase in the remuneration of its shareholders, while preserving sufficient self-financing capacity to enable investment as required and to ensure the Group's development. As a result, the Group intends to pursue its policy of steady dividend growth for its shareholders.

This objective is by no means a commitment by the Group; future dividends will depend, in particular, on the Group's results and financial position.

7.3 SHARE BUYBACK

The General Meeting of shareholders held on 18 April 2019 authorised Getlink SE to purchase, or procure the purchase of its own ordinary shares, under the conditions set by articles L. 225-209 *et seq.* of the French Commercial Code.

7.3.1 DESCRIPTION OF THE 2019 SHARE BUYBACK PROGRAMME

The characteristics of the share buyback programme were agreed by the Board on 18 April 2019 and published pursuant to article 241-2 of the General Regulations of the AMF. Pursuant to the 2019 buyback programme, Getlink SE is authorised, for a period of 18 months to purchase, or to procure the purchase of, its own ordinary shares under the conditions set out in articles L. 225-209 *et seq.* of the French Commercial Code and the provisions of the European Commission Regulation 596/2014 of 16 April 2014, which apply directly.

The following applies in respect of the programme:

- the purchase price per share must not exceed €16, it being stipulated that the Board may nevertheless adjust this purchase price should transactions occur giving rise to an increase in the nominal value of ordinary shares or the creation and grant of free shares, as well as a decrease of the nominal value of the ordinary shares or the consolidation of ordinary shares or any other transaction affecting equity in order to reflect the impact of such transaction on the value of the ordinary shares;
- the maximum proportion of the share capital authorised by shareholders at the Getlink SE Combined General Meeting of 18 April 2019 for purchase under the buyback programme is limited to 10% of the total ordinary shares composing Getlink SE's share capital at the time;
- the maximum amount of funds allocated for the purchase of ordinary shares under this programme may not, based on the number of shares in issue at 20 February 2019, exceed €880,000,000 (corresponding to a maximum of 55,000,000 ordinary shares at a maximum price of €16 per share, as stated above).

The transactions carried out by Getlink SE within the scope of the 2019 buyback programme may be effected with a view to any allocation permissible by law or that may become permissible by the law, in particular for the following purposes:

- to deliver shares upon the exercise of rights attached to negotiable securities giving the right by reimbursement, conversion, exchange, presentation of a warrant or any other means to the allocation of ordinary shares in the company;
- to implement (i) share option schemes; or (ii) free shares plans; or (iii) the granting of ordinary shares purchased by the company under this resolution, to the benefit of employees participating in a company savings plan under the conditions provided by articles L. 3331-1 *et seq.* of the French Employment Code, or under a transfer or grant of ordinary shares, including under an employee saving plan, including for the purposes of a Share Incentive Plan in the United Kingdom, or (iv) the granting of shares or any other form of allotment, allocation, sale or transfer to employees and/or executive officers of Getlink SE or any entity connected thereto, in accordance with the relevant laws and regulation in force;
- to maintain an active market in the name of Getlink within the context of a liquidity contract entered into in accordance with a securities ethics charter recognised by the AMF; and
- to reduce the capital of the company by way of cancellation of shares pursuant to resolution 20 or any similar authorisation.

7.3.2 SUMMARY OF TRANSACTIONS CARRIED OUT BY GETLINK SE ON ITS OWN SECURITIES UNDER THE BUYBACK PROGRAMME APPROVED BY THE COMBINED GENERAL MEETING ON 18 APRIL 2019

Between 1 January 2019 and 31 December 2019, Getlink SE did not buy back any ordinary shares under the buyback programme.

On 31 December 2019, Getlink SE held[47] 12,779,962 of its own ordinary shares, mainly to cover stock option (337,155) and free share plans (430,000), for the exercise of rights attached to preference shares into ordinary shares (2,965,000), free share plans subject to performance conditions in which the shares are not yet vested (1,193,500) and reserved for subsequent use in exchange or payment in connection with possible external growth transactions (7,854,307). These treasury shares represented 2.32% of Getlink SE's share capital at 31 December 2019, with a nominal value of €5,111,984.80 and a value, based on the average purchase price (€8.771), of €112,089,469 not including the liquidity contract.

Summary as at 31 December 2019	
Percentage of share capital held by Getlink SE	2.32%
Number of ordinary shares cancelled over the preceding 24 months	none
Number of ordinary shares in the portfolio	12,779,962
Book value of the portfolio	€112,089,469
Market value of the portfolio	€198,217,211
Positions opened/closed on derivatives	none

As at the date of this Universal Registration Document, with the exception of the ordinary shares acquired by Getlink SE in accordance with the terms and conditions described above, neither Getlink SE nor its subsidiaries hold any ordinary shares.

[47] *Excluding shares acquired by Oddo BHF under the liquidity contract and excluding shares held by Eurotunnel's employee shareholding vehicle (3,807,037) Getlink SE ordinary shares) and Eurotunnel Trustees Limited (1,463 Getlink SE ordinary shares).*

7.4 MAJOR SHAREHOLDERS

7.4.1 MAJOR SHAREHOLDERS

As at 31 December 2018 and as at the date of this Universal Registration Document, Getlink SE's share capital comprised 550,000,000 ordinary shares and the theoretical number of voting rights to be used to determine the thresholds was 684,972,091. The total number of exercisable voting rights in General Meeting was 672,020,666.

The difference:

- between the theoretical number of voting rights and the number of exercisable voting rights at General Meetings arises from the treasury shares held by Getlink SE as part of its share buyback programme described in section 7.3.1 of this Universal Registration Document, which do not carry voting rights; and
- between the number of shares comprising the share capital and the theoretical number of voting rights arises from double voting rights granted to shareholders holding their shares in registered form as indicated in section 8.3.4 of this Universal Registration Document.

The distribution of Getlink SE's share capital is as follows:

Shareholding (% of capital):	31 December 2019	31 December 2018*
– Individuals	4.10%	4.91%
– Custodian	43.86%	43.26%
– Institutions	49.72%	48.97%
– Treasury	2.32%	2.85%
Number of shares	550,000,000	550,000,000

* *Retreated with a comparable base to 2019.*
Source: Register and TPI analysis more than 1,000 shares.

The company may, in accordance with regulations, at any time ask the securities clearing house for the name/corporate name, nationality and address of persons holding securities that, immediately or in future, give the right to vote at its shareholders' meetings, as well as the number of securities held by each. The company may limit its request for the above information to persons holding a certain number of shares. On the basis of the last such request as at 31 December 2019, the geographical distribution of shareholdings was estimated by holder location as follows:

	% of capital
France	21%
United Kingdom	24%
Italy	16%
United States	15%
Rest of World	24%
TOTAL	**100%**

At 26 February 2020, two shareholders held more than 10% of the share capital and two held more than 5%:

Shareholders	Ordinary shares*	% capital**	Theoretical voting rights*	% of theoretical voting rights***
Aero I Global & International	85,170,758	15.49%	170,341,516	24.87%
TCI Fund Management Limited	68,109,747	12.38%	129,058,490	18.84%
BlackRock Inc	27,697,810	5.04%	27,697,810	4.04%
BTP Eiffage	27,684,500	5.03%	27,684,500	4.04%

* *Basis: at the time of the declaration to the AMF.*
** *On the basis of 550,000,000 ordinary shares as at 31 December 2019.*
*** *On the basis of 684,972,091 theoretical voting rights at 31 December 2019.*

Atlantia S.p.A

By letter received on 2 March 2018, the Italian law company Atlantia S.p.A. (Via Antonio Nibby 20, Rome, Italy), declared to the AMF (AMF declaration no 218C0532) that its holding had on 2 March 2018 indirectly crossed above the thresholds of 5%, 10% and 15% of the capital and voting rights and 20% and 25% of the voting rights of the company Getlink SE and that it indirectly held, via the intermediary of the Luxembourg law S.à.r.l company Aero I Global & International that it controls, 85,170,758 Getlink SE shares representing 170,341,516 voting rights, i.e. 15.49% of the capital and 26.66% of the voting rights, on the basis of 550,000,000 shares representing 639,030,648 voting rights. These crossings of thresholds result from the acquisition by Atlantia S.p.A. of the entire share capital of Aero I Global & International, which held 85,170,758 Getlink SE shares representing 170,341,516 voting rights.

TCI Fund Management Limited

In a letter received on 19 February 2020, TCI Fund Management Limited (7 Clifford Street, London W1S 2FT, United Kingdom) declared to the AMF that its holding had on 13 February 2020 dropped below the threshold of 15% of the capital of Getlink SE and that it held 67,667,599 shares representing 128,616,342 of voting rights, i.e. 14.89% of the voting rights, on the basis of 550,000,000 shares representing 700,908,869 voting rights, as follows:

	Shares	% capital	Voting rights	% of voting rights
The Children's Investment Master Fund	54,646,825	9.94%	103,926,276	14.83%
The Children's Investment Master Fund (swaps)	442,148	0.08%	442,148	0.06%
Talos Capital DAC	13,020,774	2.37%	24,690,066	3.52%
Total TCI Fund Management Limited	**68,109,747**	**12.38%**	**129,058,490**	**18.41%**

This crossing of the threshold results from the increase in Getlink's total voting rights.

BlackRock Inc

By letter received on 2 December 2019, the company BlackRock Inc. (55 East 52nd Street, New York, 10055, United States), acting for the account of clients whose funds it manages declared to the AMF (AMF declaration no 219C2538) that its holding had on 29 November 2019 dropped below the threshold of 5% of the capital of Getlink SE and that it holds for the account of those clients and funds 33,533,521 Getlink SE shares representing the same number of voting rights i.e. 6.10% of the capital and 4.98% of the voting rights, based on capital comprising 550,000,000 ordinary shares representing 673,693,825 voting rights by application of sub-paragraph 2 of article 223-11 of the general regulation. This crossing of the threshold results from a sale of shares on the market and a reduction in the number of shares held as collateral.

BTP Eiffage

By letter received on 17 December 2018, the company Eiffage SA (3/7 place de l'Europe, 78140 Vélizy-Villacoublay, France) declared to the AMF (AMF declaration no 218C2006) that its holding had on 17 December 2018 indirectly, through the intermediary of the SAS company Dervaux Participations 14, of which Eiffage SA owns the whole of the share capital and voting rights, crossed above the threshold of 5% of the capital of Getlink SE and that it holds 27,684,500 Getlink SE shares representing the same number of voting rights i.e. 5.03% of the capital and 4.33% of the voting rights, based on capital comprising 550,000,000 ordinary shares representing 639,310,894 voting rights. This threshold crossing results from a purchase of ordinary shares on the market.

To the best of the company's knowledge no other shareholder directly or indirectly or acting in concert with another party holds more than 5% of the capital or voting rights.

7.4.2 CONTROL

With regard to the crossing of thresholds, legal and regulatory obligations apply. Getlink SE's Articles of Association do not contain any obligations other than the legal thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 33⅓%, 50%, 66⅔%, 90% and 95% of the capital and of the voting rights.

The Articles of Association of Getlink SE contain no provisions whereby a change of control of Getlink SE can be delayed, deferred or prevented. Getlink SE is aware of no agreements that could bring about restrictions in the transfer of shares or the exercise of voting rights.

Apart from the double voting rights described in section 8.3.4 of this Universal Registration Document, there are no specific voting rights attached to any Getlink SE shares. However, the D and E preference shares, referred to in section 8.3.2 of this Universal Registration Document, do not carry voting rights at ordinary and extraordinary general shareholders' meetings for holders of ordinary shares, although it should be noted that they do carry voting rights at special shareholders' meetings for holders of D and E preference shares.

To the best of the knowledge of Getlink SE, and apart from regulatory constraints, there are no agreements that, if implemented, could bring about a change of control of Getlink SE at a later date.

7.5 TRAVEL PRIVILEGES

Getlink SE offers its shareholders a travel privilege programme for Passenger Shuttle crossings. This programme offers a 30% reduction on the standard fare up to a limit of six one-way tickets (equivalent to three return tickets) per year. Shareholders holding at least 750 ordinary shares continuously for more than three months are eligible for the programme. Getlink SE's Board has renewed this programme on identical terms for a new period of three years until 31 December 2022.

The general conditions of this travel privilege programme are available on the Group's website www.getlinkgroup.com.

ADDITIONAL INFORMATION

EUROTUNNEL: THE CROSS-CHANNEL FIXED LINK'S THREE CORNERSTONES

The Treaty of Canterbury

(signed by the States on 12 February 1986)

The States authorise the construction and operation of the Fixed Link as a concession without any public financing or guarantees.

The Railway Usage Contract (RUC)

(signed by the Concessionaires and the State Railways on 29 July 1987)

The RUC sets out the access conditions to the infrastructure, the detailed charging framework on the basis of long-term costs covering all operating and renewal costs and allowing for construction investment recovery, and a non-discriminatory access for all railway undertakings.

The Concession Agreement

(signed by the Concessionaires and the States on 14 March 1986)

The Agreement sets out Eurotunnel's rights and duties in regard to the conception, financing, construction and operation of the cross-Channel Fixed Link until 2086, as well as the commitments taken by the States through the Intergovernmental Commission (IGC), in order to facilitate the cross-Channel Fixed Link's operation.

OTHER DOCUMENT: THE SANGATTE PROTOCOL

(signed on 25 November 1991 between the government of the United Kingdom of Great Britain and Northern Ireland and the government of the French Republic).

The protocol relates to frontier controls and policing, co-operation in criminal justice, public safety and mutual assistance relating to the cross-Channel Fixed Link.

8 ADDITIONAL INFORMATION

8.1	**REGULATORY FRAMEWORK**	**263**
8.1.1	European legislation: the railway packages	263
8.1.2	Supervisory authorities	264
8.1.3	Binational legal framework: Brexit	265
8.2	**MATERIAL CONTRACTS**	**265**
8.2.1	The Treaty of Canterbury	265
8.2.2	The Concession Agreement	266
8.2.3	Railway Usage Contract	268
8.2.4	The Term Loan and ancillary agreements	269
8.2.5	Senior Secured Notes issued as Green Bonds	272
8.2.6	Master Intra-Group Debt Agreement	273
8.3	**CONSTITUTIONAL DOCUMENT AND ARTICLES OF ASSOCIATION**	**274**
8.3.1	Corporate purpose (article 2 of Getlink SE's Articles of Association)	274
8.3.2	Rights and obligations attached to the shares (article 11 of Getlink SE's Articles of Association)	274
8.3.3	Allocation of profits (article 31 of Getlink SE's Articles of Association)	274
8.3.4	Modifications of shareholders' rights	275
8.3.5	Clauses that may have an impact on the control of Getlink SE	276
8.3.6	Identification of shareholders (article 14 of Getlink SE's Articles of Association)	276
8.4	**INFORMATION ON SHAREHOLDINGS**	**276**
8.5	**STATUTORY AUDITORS**	**280**
8.6	**RESPONSIBLE PERSON**	**280**
8.6.1	Person responsible for the Universal Registration Document and the financial information	280
8.6.2	Declaration by the person responsible for the Universal Registration Document	281
8.6.3	Transition from the registration document to the Universal Registration Document	281
8.7	**INFORMATION RECEIVED FROM THIRD PARTIES, STATEMENTS OF EXPERTS AND INTERESTED PARTIES**	**281**
8.8	**DOCUMENTS AVAILABLE TO THE PUBLIC**	**281**
8.8.1	Location of the documents and information that can be consulted regarding Getlink SE	281
8.8.2	Other information	281

8 ADDITIONAL INFORMATION

8.1 REGULATORY FRAMEWORK

The Tunnel is governed by Franco-British agreements (the Treaty of Canterbury, signed on 12 February 1986 and the Concession Agreement of 14 March 1986) and by the relevant European rules and regulations and Franco-British binational transposition regulations.

The Treaty of Canterbury, which authorised the construction and operation of the Fixed Link by private concessionaire companies, prohibits the use of government funds. Accordingly, since the Concessionaires do not benefit from public funds they are not bound by the separation obligations imposed on the railway companies and on the infrastructure managers in respect of their activities. These obligations are intended to prevent possible cross-subsidies between activities financed by public funds and other activities, mainly competitive ones.

The operation of the Fixed Link is subject to detailed regulations drawn up by the Intergovernmental Commission (IGC) and the IGC Channel Tunnel Safety Authority. These entities have been set up to monitor, on behalf of the States, all issues related to the construction and operation of the Tunnel. The Fixed Link is governed by bilateral agreements between France and the United Kingdom (presented in sections 8.2.1 and 8.2.2 of this Universal Registration Document) as well as by constantly evolving European regulation, which includes in particular the European rail directives[48].

8.1.1 EUROPEAN LEGISLATION: THE RAILWAY PACKAGES

The promotion of more efficient and sustainable modes of transport has been an essential part of European Union policy for 25 years. In the rail sector, European legislation has strongly influenced national legislation with a view to enhancing the competitiveness of the sector vis-à-vis other modes of transport, improving the integration of the different rail networks and the efficiency of rail transport services. EU policy objectives have been translated into a series of legislative measures (the "railway packages") aimed mainly at opening up the rail freight and passenger markets, ensuring non-discriminatory access, and promoting railway interoperability and safety.

Railway packages

Directive 91/440/EEC of 29 July 1991 laid down the first set of principles:

- railway undertakings must have a budget and accounts separate from those of the Member State;
- for greater transparency and better performance assessment, the railway infrastructure and the operation of transport services must have separate accounts, although this principle does not require the creation of a dedicated infrastructure entity. The Concessionaires do not receive public funds, are not railway companies and are not subject to the separation obligation. This derogatory status is enshrined by article 2.9 of the 2012/34/EU Directive of 21 November 2012 and Directive 2016/2370/EU Directive of 4 December 2016 (4th railway package) has confirmed the exemption for the Group's Shuttle Services.

This 1991 Directive has been supplemented by two Directives:

- Directive 95/18 on the licensing of railway undertakings;
- Directive 95/19 on the allocation of railway infrastructure capacity (allocation of train paths) and the levying of charges for the use of infrastructure.

European legislation then sought to liberalise the sector by "packages", i.e. rules adopted simultaneously in stages.

The first railway package

The first railway package, known as the "railway infrastructure package", was adopted in February 2001. It introduces a limited opening up of rail freight. Directive 2001/12 amends Directive 91/440/EEC and provides for the opening up of freight on the trans-European rail freight network (main lines). Directive 2001/13/EC of the European Parliament and of the Council of 26 February 2001 amends Council Directive 95/18/EC on the licensing of railway undertakings. Directive 2001/14 concerns the allocation of capacity and the levying of charges for the use of railway infrastructure and safety certification.

The second railway package

The second railway package was adopted in April 2004. It completes the liberalisation of rail freight. Directive 2004/49/EC of the European Parliament and of the Council of 29 April 2004 concerns the safety of the Community's railways and provides for the establishment in each Member State of a national safety authority and a permanent accident investigation body. Directive 2004/50/EC of the European Parliament and of the Council of 29 April 2004 amends the previous Directives on the interoperability of the trans-European high-speed rail system and the interoperability of the trans-European conventional rail system. Directive 2004/51/EC of the European Parliament and of the Council of 29 April 2004 opens to competition the transport of goods on the entire international rail network on 1 January 2006 and on the national market on 1 January 2007. EC Regulation no 881/2004 of the European Parliament and of the Council of 29 April 2004 establishes, among other things, a European Railway Agency responsible for proposing measures for the progressive harmonisation of safety rules and for drawing up technical specifications for interoperability (TSIs).

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[48] *Directives 2012/34/EU establishing a single European railway area and 2016/2370/EU amending the aforementioned Directive as regards the opening up of the market in domestic passenger transport services by rail and the governance of railway infrastructure. Directive 2012/34/EU lays down the excepted status of the Fixed Link as an integrated transport system in article 2.9: "This Directive shall not apply to undertakings the business of which is limited to providing solely shuttle services for road vehicles through undersea tunnels or to transport operations in the form of shuttle services for road vehicles through such tunnels except article 6(1) and (4) and articles 10, 11, 12 and 28."*

The third railway package

The third railway package, adopted in October 2007, opens up international passenger transport to competition. Directive 2007/58/EC sets 1 January 2010 as the latest date for opening up international passenger transport. The other texts concern the certification of train drivers (Directive 2007/59/EC).

The revision of the first railway package (adopted in November 2012)

Directive 2012/34/EU merges the three directives of the "first railway package" and its main objective is to simplify and clarify existing legislation in order to better regulate access to infrastructure and strengthen regulation of the sector. This directive has been transposed into national law, notably by Order no 2015-855 of 15 July 2015 pursuant to article 38 of law no 2014-872 of 4 August 2014 on railway reform by Decree no 2016-1468 of 28 October 2016.

The fourth railway package

The objective of the Fourth Railway Package is to remove the remaining obstacles to the creation of a single European railway area. The package consists of two pillars. The technical pillar consists of three texts which entered into force on 15 June 2016:

- Regulation No 2016/796 of the European Parliament and of the Council of 11 May 2016 on the European Union Railway Agency and repealing Regulation no 881/2004;
- Directive 2016/797 of the European Parliament and of the Council of 11 May 2016 on the interoperability of the rail system within the European Union; and
- Directive 2016/798 of the European Parliament and of the Council of 11 May 2016 on railway safety.

Directive 2016/2370/EU of the European Parliament and of the Council of 4 December 2016 (4th railway package) has confirmed the exemption for the Group's Shuttle Services. The Concessionaires do not receive public funds, are not railway companies and are not subject to the separation obligation. This Directive exempts the Fixed Link as a public-private partnership not in receipt of public funds from the prohibition on intra-group financial flows.

The "Interoperability" and "Safety" Directives will need to be transposed into national law for the implementation of the single safety certificate in particular. Three texts published on 23 December 2016 concern the amendment of EC Regulation no 1371/2007, which provides in particular for the opening up of public passenger transport services by rail (including TET and TER and transilien), and the amendment of Directive 2012/34/EU establishing a single European railway area, which provides for the opening up of open access passenger transport services from 14 December 2020 and reinforces the guarantees of the independence of the infrastructure manager.

8.1.2 SUPERVISORY AUTHORITIES

Taking account of changes in European law has led the French legislator to change the organisation of the rail system by creating:

- in 2006, the Établissement Public de Sécurité Ferroviaire (EPSF) which is responsible for compliance with safety and interoperability rules for rail transport on the national railway network;
- in 2009, the Direction de la circulation ferroviaire (DCF), a structure within the SNCF whose mission is to manage traffic and technical studies for the allocation of train paths, which remains the sole responsibility of RFF;
- in 2009, the Autorité de régulation des activités ferroviaires (ARAF) which is responsible for ensuring effective regulation in rail transport to allow non-discriminatory access to the rail network for all operators (law no. 2009-1503 of 8 December 2009 on the organisation and regulation of rail transport, known as the "ORTF law").

Concerning more specifically rail freight transport, the European Union has encouraged the creation of a European rail freight network.

Transposition to the Tunnel

Under article 30 of Directive 2001/14/EC of the European Parliament and of the Council on the allocation of railway infrastructure capacity and the levying of charges for the use of railway infrastructure and safety certification, Member States are required to set up a regulatory body for the railway sector. The Treaty of Canterbury, which is the founding act of the Tunnel and the Concession, established the IGC, responsible for monitoring, on behalf of the two governments and by delegation from them, all matters relating to the operation of the Fixed Link. In this capacity, the two States designated the IGC to act as the binational safety authority for the entire Fixed Link. As part of the transposition of article 30 of Directive 2001/14/EC, the binational regulation of 23 July 2009, concerning the use of the Fixed Link, designated the IGC, presented in section 8.2.2 of this Universal Registration Document, as the regulatory body.

Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area provides that the economic regulation of the rail market is exercised by a single regulatory body per Member State, whose independence from the States must be strengthened. According to article 55 of this Directive, the regulatory body *"shall be a stand-alone authority which is, in organisational, functional, hierarchical and decision making terms, legally distinct and independent from any other public or private entity"*.

A new bilateral regulation was signed in 2015 to transfer the competence for rail economic regulation from the IGC to the two national regulatory bodies for the part of the Tunnel located in their respective territories. The two national regulatory bodies, the Transport Regulatory Authority (formerly ARAFER) and the Office of Rail & Road (ORR), concluded a cooperation agreement to ensure cooperation based on reciprocity, transparency, compromise and trust. The aim of this agreement is to define the guidelines for cooperation between the two authorities with a view to ensuring the economic regulation of the Tunnel. It sets out the practical arrangements for cooperation between the two regulators.

The IGC continues to monitor, on behalf of the States, issues related to the construction and operation of the Tunnel as set out in section 8.2.2.b of this Universal Registration Document.

8.1.3 BINATIONAL LEGAL FRAMEWORK: BREXIT

As set out in sections 8.2.1 and 8.2.2 of this Universal Registration Document, the Fixed Link is a binational infrastructure in respect of which the French and British authorities conferred its operation to Eurotunnel in 1986 by means of a Concession.

Like any business with operations in the United Kingdom, the Group is faced with legal and regulatory uncertainty. In 2019, the French government made various orders that amended and waived measures in order to prepare for the UK leaving the EU without an agreement based on article 50 of the Treaty on European Union.

By an order dated 13 February 2019 regarding preparations for the United Kingdom's departure, the French government indicated that if the UK left the European Union without an agreement the IGC would no longer be designated as a binational safety authority by two member states but by one member state (France) and one third country (the UK) so it might no longer be able to exercise the authority given by European law to a national safety authority. The French government decided by means of the said order that if the UK left the European Union without an agreement based on article 50 of the Treaty on European Union, the national safety mission will be carried out by the Établissement public de sécurité ferroviaire (EPSF – French public rail safety authority) for the French part of the Fixed Link. This order was supplemented by a regulation adopted on 25 March 2019 by the European Parliament and the Council to extend the validity of safety approvals, safety certificates, operating licences and train driver licences for a period of nine months from the date of exit without an agreement.

The above regulations have lapsed due to the conclusion of a Withdrawal Agreement between the United Kingdom and the European Union.

In the event of the failure of the inter-government negotiations during the Transition Period, Eurotunnel, like Eurostar, could be dependent on the decisions of the governments and regulatory authorities regarding the licences, safety authorisations and operating agreements and procedures needed to ensure the smooth running of the rail service. These agreements mainly include border control measures, cross-border employment contracts for Eurostar personnel and operating and safety licences that are valid in the European Union[49].

It is not known if the exit of the United Kingdom from the European Union will lead to the UK's exit from the Internal Energy Market, the framework that allows the coupling of daily electricity markets and enables the optimisation of cross-border electricity exchanges; if that happens, it could affect the ElecLink business model. If there is a change in the regulatory framework post Brexit, especially in respect of rules of access, further administrative steps would be needed prior to the start of operations.

These directives can also be subject to change and interpretation by administrative authorities and courts, and the associated regulations could even be significantly tightened by national or European authorities. Directive 2012/34/EU provides in particular for the existence of an independent railway control body. Since the IGC can no longer exercise these functions, they have been conferred on two national authorities, ARAF for the French side and the ORR for the British side. This could lead to a risk of discrepancy between the laws and the interpretation of the texts and even more so in the context of the UK's exit from the European Union, which for example affects the structure of rail infrastructure tariffs and thus the revenues of the Eurotunnel segment.

8.2 MATERIAL CONTRACTS

Other than the material agreements described in this section, the Group's business activity is not dependent on any industrial, commercial or financial contract. Furthermore, the Group's business is not dependent on any patent or licence agreement.

8.2.1 THE TREATY OF CANTERBURY

The principal purpose of the Treaty of Canterbury, signed on 12 February 1986 by France and the United Kingdom in the presence of François Mitterrand, President of the French Republic, and Margaret Thatcher, British Prime Minister, is to authorise the construction and operation of the Fixed Link by private concessionaire companies, without any government funds.

Under the terms of the Treaty of Canterbury, the States guarantee FM and CTG, as Concessionaires, under national and EU law, freedom to determine their commercial policy, tariffs and the nature of the services they offer to customers.

The Treaty of Canterbury also includes various other provisions relating to the Fixed Link such as:

- the establishment of the IGC, created by the Treaty of Canterbury to monitor in the name and on behalf of the governments of the United Kingdom and the French Republic all questions relating to the construction and use of the Fixed Link;
- the establishment of the Safety Authority to advise and assist the IGC on all issues relating to the safety of the construction and operation of the Fixed Link. The Safety Authority ensures that the safety regulations and practices applicable to the Fixed Link conform to national or international rules and regulations and to enforce these regulations; it monitors their implementation and considers reports relating to any incident that may affect safety, carries out inquiries

[49] *Eurostar's 2018 annual accounts: medias.sncf.com/sncfcom/finances/Publications_Mobilites/SNCF_Mobilites_2018_Financial_Report.pdf.*

and reports on them to the IGC. The members of the Safety Authority are appointed on an equal basis by each of the States;

- the establishment of an arbitration tribunal to settle disputes between the States and the Concessionaires relating to the Concession Agreement;
- the taxation by the two States of profits and revenues generated by the construction and operation of the Fixed Link is governed by applicable legislation, including any double taxation treaties for the prevention of tax evasion in force between the two States and relating to direct taxes, together with any related protocols;
- compliance by the two States with the principle of non-discrimination with respect to taxes relating to charges payable by customers of other directly competing modes of crossing the Channel;
- the absence of any withholding tax by the two States on the transfer of funds and financial payments required for the operation of the Fixed Link, either between the two States, or coming from or going to other countries, other than the general taxation of payments represented by such transfers or financial payments; and
- the commitment of the States to cooperate in a number of areas, including defence, security, policing, border controls, interpretation or application of the Treaty of Canterbury and the Concession Agreement.

8.2.2 THE CONCESSION AGREEMENT

The Concession Agreement was signed on 14 March 1986 between the States and the Concessionaires, pursuant to the Treaty of Canterbury.

Initially entered into for a period of 55 years, the Concession Agreement was extended by 10 years and then 34 years by successive amendments dated, respectively, 29 June 1994 and 29 March 1999, duly ratified by legislative provisions in France and the United Kingdom. The term of the Concession Agreement was therefore extended first from 55 to 65 years, then from 65 to 99 years and expires in 2086.

Pursuant to the terms of the Concession Agreement, the Concessionaires have the right and the obligation, jointly and severally, to design, finance, construct and operate the Fixed Link, and the Concessionaires do so at their own risk and without any government funds or state guarantees regardless of the risks that may materialise during the performance of the Concession Agreement. In particular, the Concessionaires are solely liable for any loss or damage caused to users of the Fixed Link or third parties resulting from its operation.

Accordingly, the principal obligations of the Concessionaires under the Concession Agreement are:

- to operate and maintain the Fixed Link and employ all means necessary to permit the continuous and fluid flow of traffic in safe and convenient conditions; and
- to comply with applicable laws and regulations in relation to the operation of the System and in particular in relation to customs, immigration, security, sanitary and road transport controls and rescue services.

The Fixed Link is an integrated transport system comprising shuttle services for road vehicles (for cars and trucks) and railway network services (for passenger and rail freight trains) with no internal transactions between the two activities. The principle of uniqueness of the Concession arises from clause 2.2 of the Concession Agreement, which states that "*[t]he Fixed Link shall include the ancillary installations, connections to the existing transport network and all plant, machinery, movable and immovable equipment and railway shuttle rolling stock, necessary for safe and efficient operation between the two terminals*".

Given the specific nature of the project and its financing, the Fixed Link has a special status. As set out in secion 8.1.1 of this Universal Registration Document, Directive 2016/2370/EU of 4 December 2016 (4th railway package) has confirmed the exemption for Eurotunnel's Shuttle Services.

a) Tariffs and commercial policy

The Concessionaires are free to set their fares. National laws relating to price and fare controls by public authorities do not apply to the Fixed Link. However, these provisions are without prejudice to the application of national or EU rules relating to competition and abuse of dominant positions. The Concessionaires must not discriminate between users of the Fixed Link, in particular with respect to their nationality or direction of travel. They may however adjust tariffs in accordance with normal commercial practices.

b) Role of the IGC

The IGC, established by the Treaty of Canterbury, was created to monitor, on behalf and with the authority of the States, all issues relating to the construction and operation of the System. The IGC is made up of representatives of each of the States on an equal basis.

The IGC acts as concession authority vis-à-vis the Group on behalf of and under the control of the States, and its duties in this regard are:

- to supervise the construction and operation of the System;
- to take decisions on behalf of the States in relation to the performance of the Concession Agreement, including the right to impose penalties on the Concessionaires in the event of a breach of their obligations under the Concession Agreement;
- to consider the proposals of the Channel Tunnel Safety Authority;

- to prepare or participate in the preparation of all regulations applicable to the System and monitor their application, including those in relation to maritime and environmental matters; and
- to issue advice and recommendations concerning the States and the Concessionaires.

As set out in section 8.1.2 of this Universal Registration Document, the functions of the independent railway control body for the economic regulation of the Fixed Link's railway activities provided for in the European Union Directive 2012/34 were conferred on ARAF in France and its British counterpart, the Office of Rail and Road (ORR).

c) Penalties

Any failure by the Concessionaires to perform their obligations under the Concession Agreement shall entitle the States to impose penalties, but no other measure under the Concession Agreement.

Should a breach be identified by the IGC, it would inform the Concessionaires in writing, specifying the nature and subject of the breach. After the Concessionaires have been heard, the IGC may issue a formal notice to remedy the breach within a sufficiently long period of time which may not be less than 30 days.

If at the end of such period, the Concessionaires have not remedied the breach identified by the IGC, it may impose a penalty on the basis of a fixed initial daily sum of between 10,000 and 100,000 ecus at 1986 values (changed to euros at a rate of one to one on 1 January 1999) and proportionate to the seriousness of the breach giving rise to the penalty.

d) Early termination of the Concession Agreement and compensation

Each party to the Concession Agreement may request the arbitration tribunal, established pursuant to the Treaty of Canterbury, to declare the termination of the Concession Agreement in exceptional circumstances, such as war, invasion, nuclear explosion or natural disaster. In such cases, in principle, no compensation is owed to the Concessionaires. However, the States may pay the Concessionaires an amount representing the financial benefits, if any, that they may derive from such termination.

Each of the States may terminate the Concession for reasons of national defence. In such case, the Concessionaires may claim compensation under the conditions laid down in the Treaty of Canterbury. The Treaty of Canterbury specifies that such compensation shall be governed by the law of the relevant State.

Each of the States may terminate the Concession Agreement in the event of a fault committed by the Concessionaires. The Concession Agreement defines a fault as a breach of a particularly serious nature of the obligations under the Concession Agreement or ceasing to operate the Fixed Link. The States may issue a formal notice to the Concessionaires giving them a period of three months, which may be extended up to a maximum period of six months, to remedy the breach. This formal notice is also sent to the lenders that financed the construction and operation of the Fixed Link. If, within such period, the Concessionaires have not remedied the breaches complained of, the States may terminate the Concession Agreement, subject to giving prior notice to the lenders of their right of substitution.

Any termination of the Concession Agreement by the States, other than in a situation described above, gives the Concessionaires the right to payment of compensation. Such compensation shall be for the entire direct and certain loss actually suffered by the Concessionaires and attributable to the States, within the limits of what can reasonably be estimated at the date of the termination, including the damage suffered and operating losses. To calculate this compensation, account is taken of the share of liability of the Concessionaires, if any, in the events which led to the termination.

e) Assignment and substitution by lenders

The Concession Agreement provides that each of the Concessionaires has the right to transfer the Concession Agreement or the rights it confers, with the agreement of the States.

In addition, upon the occurrence of one of the events set out below, and for as long as the effects of the event persist, or any other action or intention that could lead to the termination of the Concession Agreement, the lenders, approved as such by the States pursuant to the Concession Agreement (the "Lenders") may request of the States that substitution be operated in favour of entities controlled by them (referred to as the "Substituted Entities" in the Concession Agreement) if:

(i) the Concessionaires fail to pay, within a contractual grace period, any sum due and payable under the terms of the finance documents,

(ii) the Concessionaires do not have and cannot procure sufficient funds to finance the forecasted operating costs of the Fixed Link, and the related finance charges,

(iii) it appears that the date of full and final payment of all receivables of the Lenders must be postponed for a significant length of time, or

(iv) in the event of the Fixed Link being abandoned, insolvency, liquidation, enforcement of security by other creditors and related events.

The Substituted Entities must prove to the States, at the time of the substitution, that they have sufficient technical and financial capacity to continue performance of the Concession Agreement.

The amendment to the Concession Agreement dated 29 March 1999 granted an extension to the term of the Concession Agreement for the sole benefit of the Concessionaires, such that the extension would not apply if the Lenders exercised their Substitution Right.

In accordance with article 32 of the Concession Agreement, the lenders of the Term Loan (and equivalents) have been approved by the States as Lenders able to benefit from the Substitution Right under the terms set out in the Concession Agreement.

f) Taxation and sharing of profits

Taxation and customs matters are decided by the States in accordance with the provisions of the Treaty of Canterbury. If it appears that changes in tax or customs legislation have a discriminatory effect on the Fixed Link, the relevant State will examine the issue with the Concessionaires. Furthermore, in accordance with article 19 of the Concession Agreement, as a matter of principle, the Concessionaires share equally between CTG and FM at cost price all expenses and all revenues from the Fixed Link for the period during which they operate it. To this end, the consequences of any indirect taxation on the supply of goods or services levied only on one of the Concessionaires will be taken into account in the costs to be shared. Any equalising payment made between FM and CTG will be treated as a capital expense or a revenue payment as determined by the tax legislation of the two States.

With respect to the period between 2052 and 2086, the Concessionaires will be obliged to pay to the States a total annual sum, including all corporate taxes of any kind whatsoever, equal to 59% of all pre-tax profits.

g) Litigation

Disputes relating to the application of the Concession Agreement must be submitted to an arbitration tribunal which will apply the relevant provisions of the Treaty of Canterbury and the Concession Agreement. Provisions of French or English law may, if necessary, be applied, if this is dictated by the performance of specific obligations under French or English law. Relevant principles of international law and, if the parties so agree, the principles of equity may be applied.

8.2.3 RAILWAY USAGE CONTRACT

The Railway Usage Contract was entered into on 29 July 1987 between the Concessionaires and the Railways (BRB and SNCF) at the same time as the Treaty of Canterbury was ratified and the Concession came into force. It sets out the basis on which the Concessionaires allow the trains using the Railway Network to use the Fixed Link, from the date the Railway Usage Contract came into force until 2052. It also specifies the conditions under which the Railways undertake and are authorised to use the Fixed Link with arrangements for the development of certain services and the installation of certain railway infrastructure and the rolling stock necessary to ensure a sufficient level and quality of traffic in the Tunnel. Likewise, the Concessionaires subscribe to a number of commitments relating to maintenance of the Fixed Link. Pursuant to the Railway Usage Contract, trains using the Railway Network are authorised to use up to 50% of the capacity of the Fixed Link per hour and in each direction, up until 2052.

Under the terms of the Railway Usage Contract, the Railways are obliged to pay the Concessionaires variable charges depending on the number of passengers travelling on passenger trains and the freight tonnage carried through the Fixed Link, as well as fixed annual charges. Mechanisms to reduce the annual charges are set out in the event that the Fixed Link is unavailable. Lastly, under the Railway Usage Contract, the Railways must pay a contribution to the Concessionaires' operating costs and the renewal of the Fixed Link. To this end, the Railways make monthly provisional payments to the Concessionaires against operating costs for the current period. Payments are subsequently adjusted to take account of real operating costs, with the final amount of the contribution determined on the basis of the provisions set out in the Railway Usage Contract, and agreements reached for its implementation.

The Railway Usage Contract is governed by French law.

In addition, as part of the strategy for the re-launch of freight services, in 2007 Eurotunnel decided to offer a simplified pricing structure mechanism for goods trains, with a toll per freight train rather than per tonne of freight, based on a charging regime published annually by Eurotunnel in the Fixed Link Network Statement.

A substantial part of the Group's revenues emanating from the Railway Network is made up of the variable charges and annual fixed charges referred to above.

In the context of the privatisation of the British railways, BRB entered into back-to-back contracts with certain entities, including Network Rail, DB Cargo UK (formerly EWS and DB Schenker Rail UK) and Eurostar International Limited (formerly Eurostar UK Limited), under the terms of which BRB delegated to those entities operational execution of some of its obligations to the Concessionaires. As part of the agreement with the British and French governments regarding the extension of the Concession Agreement until 2086, the Group undertook, under certain conditions, to work with the entities to which execution of these obligations had been delegated, to ensure the development of passenger train services and goods train services.

In accordance with EU directives governing the liberalisation of the international rail transport market, the Concessionaires publish the Fixed Link Network Statement annually; this offers transparent and non-discriminatory conditions of access to its Railway Network to all Railway Companies and the same tariff framework as that set out by the Railway Usage Contract.

8.2.4 THE TERM LOAN AND ANCILLARY AGREEMENTS

FM and CTG entered into the Term Loan dated 20 March 2007 (as amended and updated from time to time, most recently on 13 April 2018), under which credit facilities in a principal amount of £1,836.5 million and €2,188 million (the "Senior Facilities") were made available to FM and CTG on 28 June 2007 by Goldman Sachs Credit Partners L.P. and Deutsche Bank A.G. (London Branch) (together, the "Initial Lenders"). The financing of the Senior Facilities was arranged by Goldman Sachs International and Deutsche Bank AG (London Branch) (the "Main Lenders").

For the purposes of the management of the Senior Facilities, these loans were securitised on 20 August 2007 with Channel Link Enterprises Finance Plc (CLEF).

a) Principal provisions of the Term Loan

Summary of the tranching and the financial conditions of the Term Loan

The Senior Facilities consist of:

- tranches A1, A2, A3 each denominated in sterling, bearing interest at a fixed rate, indexed on inflation in the United Kingdom;
- tranches A4, A5, A6 each denominated in euros, bearing interest at a fixed rate, indexed on inflation in France;
- a tranche B1 loan denominated in sterling, bearing interest at a fixed rate;
- a tranche B2 loan denominated in euros, bearing interest at a fixed rate;
- a tranche C1A loan denominated in sterling, bearing interest at a fixed rate, which will switch to a variable rate on 20 June 2029;
- a tranche C1B loan denominated in sterling, bearing interest at a fixed rate;
- a tranche C2A loan denominated in euros, bearing interest at a fixed rate, which will switch to a variable rate on 20 June 2022;
- a tranche C2B loan denominated in euros, bearing interest at a fixed rate, which will switch to a variable rate on 20 June 2027;
- a tranche C2C loan denominated in euros, bearing interest at a fixed rate; and
- a tranche C2D loan denominated in euros, bearing interest at a fixed rate.

The C tranches, bearing interest at a variable rate, are hedged as indicated in the paragraph "Hedging arrangements in respect of the Term Loan" below.

The weighted average interest rate applicable to the Senior Facilities and payments relating to the servicing of debt under the Term Loan, are detailed in note G to the consolidated financial statements in section 2.2.1 of this Universal Registration Document.

The borrowings denominated in sterling have been made available to CTG and those in euros have been made available to FM.

Repayment of the Term Loan

The funds borrowed under the Term Loan will be repayable in accordance with their respective repayment schedules.

Repayment of the tranche A loans began in 2018, 11 years after the start of availability of such loans and will be completed at least 35 years after the date of signature of the Term Loan.

Repayment of the tranche B1 and B2 loans began in 2013, six years after the date on which the Term Loan was signed.

Repayment of the tranche C1 and C2 loans will begin 39 and 34 years respectively after the date on which such loans become available and be completed in June 2050.

Prepayment of the Term Loan

The amounts borrowed under the Senior Facilities may be voluntarily prepaid at the instigation of the relevant borrower, subject to the payment of certain market standard prepayment premia.

The amounts borrowed under the Senior Facilities may also be subject to mandatory prepayment, under certain conditions and in certain proportions, in particular from funds arising from insurance proceeds, permitted asset transfers, expropriation of such assets, compensation under the Concession Agreement and, in certain instances, excess cash flow.

If Eurotunnel does not meet certain financial targets, excess cash flow must (i) during the first years following drawdown on the Senior Facilities, be paid into a secured account set up for prepayment of amounts lent under the Senior Facilities and (ii) subsequently be used directly for such prepayment until Eurotunnel once again meets the above mentioned financial targets.

Undertakings and prohibitions under the Term Loan

The Term Loan includes certain undertakings and prohibitions which are customary for a loan of its nature, in particular restrictions relating to:

- the creation or maintenance of liens on Eurotunnel's assets;
- the sale or transfer of Eurotunnel's assets and the acquisition by Eurotunnel of new assets;
- the granting of loans, securities or guarantees for the benefit of third parties; and
- the amendment of contracts which were conditions precedent under the Term Loan, including inter alia the Railway Usage Contract.

In addition, pursuant to the terms of the Term Loan, Eurotunnel is required to meet the following financial covenants: at each reference date, the debt-service coverage ratio must not be less than 1.10 since 28 June 2012. For the purposes of this test, the ratio is calculated, on a rolling 12-month period, on a consolidated basis taking into account (i) as regards the calculation of available cash flow for the servicing of debt, the borrowers and guarantors in connection with the Senior Facilities, and (ii) as regards the calculation of debt servicing, Eurotunnel. Eurotunnel has respected the debt-service coverage ratio for 2019.

While the Term Loan restricts any increase in the financial indebtedness of Eurotunnel, it permits, amongst other items, (i) the borrowing of revolving facilities, bonding facilities or guarantee facilities up to a maximum amount of €75 million (provided that the relevant lender accedes to the Intercreditor Deed (as such term is defined in section “Agreement between Creditors” below)) and (ii) indebtedness of up to £225 million of its Euro equivalent (provided that such indebtedness is unsecured and structurally and (through the accession of the new lender(s) to the Intercreditor Deed) contractually subordinated to all amounts payable under the Term Loan and that the ratings of the Term Loan are affirmed).

The Term Loan permits Eurotunnel to pay dividends, provided that such dividends are paid out of excess cash flow (as defined in the Term Loan) or funds arising from a permitted disposal under the Term Loan (insofar as these funds do not have to be allocated to mandatory prepayment) on the condition that no default is continuing under the Term Loan and that the debt-service coverage ratio is not less than 1.25. For the purposes of this test, the ratio is calculated on the basis of a rolling 12-month period, on a consolidated basis, such consolidation to include (i) as regards the calculation of available cash flow for the servicing of debt, the borrowers and guarantors in connection with the Senior Facilities and (ii) as regards the calculation of debt service, Eurotunnel (with amortisation being calculated by reference to the greater of (i) the hypothetical amortisation of the loan based on an annuity and (ii) the contractual amortisation). Failure to meet this ratio on a six-monthly testing date would not constitute an event of default but would lead to restrictions on the use of Eurotunnel’s excess available cash flow on the date of the next interest payment on the Term Loan until such time as the test is met once again. If these conditions are not met on an interest repayment date in connection with the Term Loan, the excess cash flow and funds will be placed into an account dedicated to so-called “capex” expenditure. Failure to meet this test on three consecutive six-monthly testing dates would trigger a prepayment event, under which Eurotunnel’s excess available cash flow would have to be used towards prepayment of the Term Loan until the testing date on which the ratio is met once again.

Event of default and acceleration

The Term Loan contains a number of events of default which, in certain instances subject to grace periods, enable the lenders to declare the Term Loan immediately due and payable, to enforce the liens described below or to demand the start of the substitution mechanism provided for under the terms of the Concession Agreement and described in section 8.2.2 of this Universal Registration Document.

The events of default include in particular:

- any failure to pay under the Term Loan;
- a failure to comply with any provision of the Term Loan, the Intercreditor Agreement or related documents. These provisions impose limits relative to indebtedness, acquisitions, sales and other transfers, mergers, loans, guarantees and the granting of new securities by the member companies of Eurotunnel, and include in particular:
  - (i) a financial commitment pursuant to which Eurotunnel Holding SAS is obliged to ensure that at each half-yearly test date subsequent to 31 December 2017, the ratio of cash flow from operational activities over the total cost of servicing the debt resulting from the Senior Facilities is not below 1.10, the said ratio being calculated by reference to the 12-month period preceding the date of the test; and
  - (ii) certain commitments related to the tax treatment of the Group and where non-compliance is reasonably likely to substantially affect the financial situation of FM, CTG or Eurotunnel;
- a declaration or statement made or deemed to have been made by a borrower or a guarantor in relation to the Term Loan, or any other financial document related to it or any other document presented by or on behalf of a borrower or a guarantor in relation to the said financial documents (which contain the declarations and statements that are usual for this type of financing), which proves to have been erroneous or misleading at the time when it was made or deemed to have been made;
- the occurrence of a cross default under any other indebtedness (greater than a certain amount) of any of the companies within Eurotunnel;
- the inability of any borrower or guarantor to pay its debts as they fall due, the insolvency or the opening of any legal proceedings in relation to any borrower or guarantor under the Term Loan;
- the illegality or invalidity of the Term Loan, any related liens or the subordination created under the Intercreditor Agreement;
- the permanent impossibility of carrying on the business of operating the Tunnel, or the destruction of the Tunnel, or the cessation of a substantial part of its activities by a borrower or a guarantor;
- a guarantor ceases to be a wholly-owned subsidiary of Eurotunnel Holding SAS;
- any act or omission of France or the United Kingdom which renders a borrower or guarantor under the Term Loan incapable of performing its obligations under the Term Loan and related documents; and
- the occurrence of litigation (or similar proceedings) against any Eurotunnel member company or its assets, which is reasonably likely to be adversely determined against the relevant company and to have a substantial adverse effect on the financial position of FM, CTG or Eurotunnel.

The Term Loan also includes other events of default that are usual for this type of funding.

Hedging arrangements in respect of the Term Loan

FM and CTG, prior to the drawdown under the Term Loan, entered into various hedging arrangements in order to hedge their respective exposure to interest rate fluctuation in connection with their payment obligations under the Term Loan as indicated in note G.1.2.c to the consolidated accounts figuring in section 2.2.1 of this Universal Registration Document.

Agreement between creditors

Prior to drawdown under the Term Loan, the Group entered into an intercreditor deed with its bank lenders and its intra-group creditors (the "Intercreditor Deed") pursuant to which the claims of all intra-group creditors are subordinated to the claims of the bank lenders.

The Intercreditor Deed also provides for the security and the guarantees described below to be held by a Security Trustee for the benefit of the lenders under the Term Loan, and, as the case may be, for the benefit of lenders under certain permitted financial indebtedness acceding to the Intercreditor Deed.

b) Guarantees and security relating to the Term Loan

Guarantees

Under the Intercreditor Deed, Eurotunnel Holding SAS, FM, EFL, CTG, ESGIE, Eurotunnel SE, ESL, EurotunnelPlus Limited and Gamond Insurance Company, the guarantors on the date of the corporate reorganisation in 2018 (the "Guarantors"), each jointly and severally guarantee the commitments made by FM and CTG, in their capacity as borrowers under the Term Loan vis-à-vis the Initial Lenders, the arrangers, the Agents and the hedging counterparties of the Term Loan.

The Term Loan provides that, following its execution, certain of the Group companies (other than the Guarantors) will be required also to become guarantors of the Term Loan if, in particular, their contribution to the EBITDA, gross value of assets or Eurotunnel revenue increases above a specified pre-determined threshold.

In order to guarantee their obligations as borrowers under the Term Loan and guarantors under the Intercreditor Deed, the Guarantors have given various securities.

Security granted by Eurotunnel under French law

To secure their obligations as borrower under the Term Loan or guarantor under the Intercreditor Deed, the Guarantors owning French assets have granted the following security:

i) assignment of trade receivables by way of guarantee under which (i) FM assigns its receivables under the Concession Agreement and the Railway Usage Contract as well as its trade receivables owed by the freight transporters and coach operators and its insurance receivables and intercompany receivables held by it on the French subsidiaries of the Group, (ii) CTG assigns the same categories of receivables as FM with the exception of its trade receivables owed by the freight transporters and coach operators, and (iii) other members of the Group qualifying as guarantor assign their insurance receivables and intercompany receivables held against French companies of Eurotunnel;

ii) unregistered mortgages over FM's and CTG's main real estate assets that are not the subject of short or medium-term development projects;

iii) a non-possessory lien over FM's rolling stock;

iv) a pledge on all bank and investment accounts open in France in the name of any borrower or guarantor under the Term Loan;

v) a pledge on shares in the Eurotunnel members held by the borrowers or guarantors under the Term Loan;

vi) a pledge on the main Eurotunnel trademarks;

vii) a pledge on receivables held by FM under certain pieces of land comprised in the "ZAC 1" and which is the subject of long-term construction leases (*baux à construction*);

viii) a pledge on receivables held by Eurotunnel Holding SAS against FM pursuant to the bonds facility agreement dated 28 June 2007 (as amended on 29 August 2007) and entered into, *inter alia*, Eurotunnel Holding SAS as lender and FM as borrower; and

ix) a pledge over their rights held in connection with the economic interest grouping (*groupement d'intérêt économique* or GIE) by Eurotunnel Holding SAS, FM, CTG and Eurotunnel SE.

Security granted by Eurotunnel under English law

To secure their obligations as borrower under the Term Loan or guarantor under the Intercreditor Deed, the Guarantors have each granted security over all of their assets held at the date of execution of the Term Loan as well as over their future assets.

Security over the other Eurotunnel assets

All of the shares of the Eurotunnel members that are not subject to security as described above have been pledged by way of security for the obligations of the borrowers under the Term Loan and guarantors under the Intercreditor Deed.

8.2.5 *SENIOR SECURED NOTES ISSUED AS GREEN BONDS*

Getlink SE issued €550 million 3.625% Senior Secured Notes (the "Notes") on 3 October 2018. The Notes are listed on the Official List of the Irish Stock Exchange (trading as Euronext Dublin) and are admitted to trading on the Global Exchange Market thereof. The Notes align with the June 2018 version of the International Capital Markets Association's Green Bonds Principles and are therefore considered "green" bonds.

The Notes are governed by an English law trust deed (the "Trust Deed") between Getlink SE and BNY Mellon Corporate Trustee Services Limited, as trustee for the holders of the Notes.

The Notes are due on 1 October 2023 and interest thereon is payable semi-annually in arrears on 30 June and 30 December of each year, commencing on 30 December 2018.

Pursuant to the Trust Deed, €19,940,000 was paid into a Debt Service Reserve Account ("DSRA").

a) Permitted use of proceeds

The Trust Deed allows the Group to use the net proceeds of the offering of the Notes to refinance the £190 million external loan of Eurotunnel Agent Services Limited, finance capital expenditure in relation to ElecLink and finance other eligible "green" assets.

In accordance with its Green Bond Framework, Getlink will prepare and publish a Green Bond Report within one year of the inaugural Green Bond issuance and annually thereafter until full allocation of the amount equal to the net proceeds of the green issuance. This report will provide information on the allocation and environmental impact of the Green Bonds issued.

b) Security and ranking

The Trust Deed is subject to an English law intercreditor agreement (the "Intercreditor Agreement") between, *inter alios*, Getlink SE and BNY Mellon Corporate Trustee Services Limited, as security agent. The Notes are secured by first ranking liens (the "Notes Security") on (i) all shares in the capital of Eurotunnel Holding SAS and GET Elec Ltd; and (ii) a debt service reserve account set up by the Group.

The Notes:

- are general senior obligations of Getlink SE;
- rank *pari passu* in right of payment with any existing and future senior indebtedness of Getlink SE that is not expressly subordinated in right of payment to the Notes;
- are secured on an equal and rateable basis with certain other *pari passu* obligations of Getlink SE by a first priority lien on the Notes Security; provided, however, that pursuant to the terms of the Intercreditor Agreement, the proceeds of any collection, sale, disposition or other realisation of the Notes Security received in connection with the exercise of remedies will be applied first to repay any super senior liabilities prior to the Notes and any other *pari passu* obligations of Getlink SE;
- rank senior in right of payment to any existing and future subordinated indebtedness of Getlink SE;
- are effectively senior to any existing and future unsecured indebtedness of Getlink SE to the extent of the value of the Notes Security;
- are effectively subordinated to any existing and future indebtedness of Getlink SE that is secured by liens on property or assets that do not secure the Notes, to the extent of the value of such property or assets so securing such indebtedness; and
- are structurally subordinated to any existing and future indebtedness and other liabilities and commitments (including interest payables, trade payables and lease obligations) of Getlink SE subsidiaries (including the Term Loan).

c) Redemption

Optional redemption

The Notes may be redeemed at any time prior to 1 October 2020 at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and other additional amounts, if any, to the redemption date, plus the applicable "make whole" premium.

In addition, at any time prior to 1 October 2020, Getlink SE may redeem up to 40% of the aggregate principal amount of the Notes using the net cash proceeds of certain equity offerings, at the redemption price of 103.625% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and other additional amounts, if any, to the redemption date.

At any time on or after 1 October 2020, the Notes may be redeemed at a premium of 1.813% in 2020 or 0.906% in 2021, or without a premium after 2022.

The Notes may also be redeemed upon the occurrence of certain tax events.

Repurchase upon a change of control

If an event treated as a change of control occurs, each Note holder has the right to require that Getlink SE repurchase such holder's Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and other additional amounts, if any, to the date of purchase.

Mandatory redemption

If Getlink SE disposes of its shares in Eurotunnel Holding SAS to a third party in accordance with the requirements of law or a governmental authority, it shall apply the net cash proceeds of such disposal to redeem all outstanding Notes at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and other additional amounts, if any, to the date of purchase, provided that such net cash proceeds shall first be applied to repay the amounts outstanding under the Term Loan.

d) Covenants

The Trust Deed provides for certain covenants that are customary for this type of financing. These incurrence covenants are only tested upon the occurrence of an event, rather than on an on-going basis. Unless certain conditions are respected, certain prohibitions apply in relation to:

- The incurrence of additional debt: for example, additional debt can be incurred as long as, on a pro forma basis, the Group's (a) Total Net Leverage Ratio is equal to or less than (i) 8.5 to 1.0 until, and including, 30 June 2020 and (ii) 8.0 to 1.0 from, and including, 1 July 2020; and (b) Debt Service Cover Ratio (DSCR) is equal to or greater than 1.25 to 1.0. In addition, there are certain types of debt that can be incurred irrespective of whether there is ratio debt capacity at all. These include a €50 million super senior credit facility basket; a €100 million ElecLink Ltd debt basket; a €100 million Europorte SAS debt basket; and a €50 million basket to finance activities of Getlink SE or any of its subsidiaries. Further, certain types of indebtedness can be classified and reclassified among different eligible baskets.
- The making of certain restricted payments, including dividend payments and the purchase of treasury shares, subject to conditions including if there is an event of default or if the DSCR is less than 1.25.
- Other operations including the sale of assets, the granting of liens and the consummation of mergers.

As is customary for issuances of this type, there are a number of exceptions to the incurrence covenants that are aimed to ensure that the Group has sufficient flexibility to operate its business.

e) Events of default

The Trust Deed lists certain events of default, which permit the trustee or a certain percentage of holders to declare the Notes immediately due and payable. These events of default include:

- a failure to pay principal when due;
- a failure for more than 30 days to pay interest when due;
- a failure to comply with the merger covenant;
- a failure for more than 60 days after receipt of a notice from the trustee or holders of at least 25% of the aggregate principal amount of the Notes outstanding to comply with other covenants or agreements in the Trust Deed;
- a cross-acceleration or payment default under certain other indebtedness;
- a failure to pay certain final judgments;
- an impairment of Notes Security above a certain value; and
- certain customary bankruptcy and insolvency events of default.

8.2.6 MASTER INTRA-GROUP DEBT AGREEMENT

Intra-group debts existed between the various companies of the Group. Some of them were expressed in contracts concluded between 2007 and 2009 for the financial restructuring or simplification of the structure of the Group ("Intra-Group Debts"). Certain of these Intra-Group Debts for which contracts were concluded in 2007 were reorganised in 2009 as part of the transactions prior to the merger of TNU SA into Getlink SE which gave rise to the conclusion of new contracts for intra-group loans.

The Intra-Group Debts, because they were concluded over a period from 2007 to 2009 and partly re-organised in 2009, had different characteristics as to interest rate and maturity which complicated the financial and accounting management of Group companies.

Group companies have therefore concluded a contract entitled the "Master Intra-Group Debt Agreement" the principal object of which is the harmonisation of (i) the rules for current accounts between Group companies, (ii) the interest rates of the various Intra-Group Debts and (iii) where possible, the other conditions of these Intra-Group Debts in order to facilitate the financial and accounting management of Group companies and to reflect the financial policy between the Group's companies.

8.3 CONSTITUTIONAL DOCUMENT AND ARTICLES OF ASSOCIATION

Getlink SE is governed by the French law provisions relating to *sociétés anonymes* with a board of directors, compatible with the regulations relating to European companies.

8.3.1 CORPORATE PURPOSE (ARTICLE 2 OF GETLINK SE'S ARTICLES OF ASSOCIATION)

The corporate purpose of Getlink SE is:

- acquire equity interests by way of the purchase, subscription, transfer or exchange of corporate rights, shares, partnership interests or otherwise, with any co-contracting party, French or foreign, in any company whose purpose is directly or indirectly related to the operation of the Tunnel between France and Great Britain or any other fixed links, infrastructure or transport activities;
- participate in any manner whatsoever, directly or indirectly, in any transactions connected with its corporate purpose via the creation of new companies, the contribution, subscription or purchase of securities or corporate rights, merger or otherwise, creation, acquisition, leasing, lease management of all businesses or establishments; taking, acquiring, operating or selling any procedures or patents relating to its activities;
- generally, all industrial, commercial, financial, civil, personal or real property transactions, directly or indirectly related to any of the purposes referred to above or any similar or connected purposes, including in particular, any transport business.

8.3.2 RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES (ARTICLE 11 OF GETLINK SE'S ARTICLES OF ASSOCIATION)

Ownership of an ordinary share implies acceptance of the terms of the Articles of Association of Getlink SE and of all decisions taken by Getlink SE shareholders in General Meeting.

Ordinary shares

Subject to the provisions set out hereafter, each member of a general meeting is entitled to the same number of voting rights and to cast the same number of votes as the number of fully paid-up ordinary shares that he owns or is representing. However, each fully paid-up ordinary share that has been held by the same shareholder in registered form for two years will carry a double voting right in accordance with applicable laws and regulations.

In addition to voting rights, each ordinary share grants the right to a share in the ownership of the company's assets, profits and liquidation proceeds, in proportion to the fraction of the share capital that it represents.

C preference shares

The 12th resolution of the General Meeting of 29 April 2015 authorised the creation of preference shares (C preference shares), convertible at the end of a period of four years to ordinary shares if performance conditions are met.

The definitive grant of the C preference shares took place in 2019. As set out in section 7.1.4 of this Universal Registration Document, a proposal will be put to the General Meeting of 30 April 2020 that the Articles of Association be updated accordingly.

D preference shares

The General Meeting of 18 April 2018 authorised the granting of a total of 1,500 D preference shares convertible into a maximum of 1,500,000 ordinary shares subject to performance criteria. The definitive vesting of the ordinary shares is based on achieving the following three cumulative performance criteria (with one being external to the Group and the two others internal to the Group):

- The **external performance** condition (the "TSR weighting") is based on the average performance including dividends (TSR) of the Getlink SE ordinary share over a period of three years compared to the performance of the Group sector index GPR Getlink Index (40%).
- The first **internal performance** condition (the "EBITDA weighting") is based on the Group's financial performance, assessed by reference to the average rate of achievement of EBITDA over a period of three years covering 2018, 2019 and 2020 (50%).
- The second internal performance condition (the "CSR weighting") is based on the CSR composite index (10%).

The conversion ratio will depend on the degree of achievement of performance.

E preference shares

The General Meeting of 18 April 2019 authorised the granting of preference shares (E preference shares) convertible into ordinary shares subject to performance criteria on identical terms to those for D preference shares.

8.3.3 ALLOCATION OF PROFITS (ARTICLE 31 OF GETLINK SE'S ARTICLES OF ASSOCIATION)

The following deductions are made from the profits of each financial year, minus any prior losses, in the order set out below:

- at least 5% to constitute the reserve account required by law;
- the amounts determined by the general meeting to constitute such reserves for which it determines the distribution and use; and
- the amounts that the general meeting decides to carry forward.

The balance, if any, shall be distributed among all of the shareholders in proportion to the number of ordinary shares held by each of them.

If the balance sheet prepared during or at the end of the financial year and certified by the statutory auditors indicates that Getlink SE, since the end of the previous financial year, after any necessary depreciation and reserves and after deducting any previous losses and amounts required to constitute the necessary reserves pursuant to applicable laws or the Articles of Association, has made a profit, interim dividends may be distributed before the accounts for the financial year have been approved. The amount of the interim dividend may not exceed the amount of profit as defined above.

The conditions for the payment of dividends in cash are set by the General Meeting, or failing that, by the Board. Each E preference share will have one distribution right equal to 1/1,000th of the distribution right. In the event of dissolution of Getlink SE, each E preference share has a right to the liquidation proceeds in proportion to the share that its nominal amount represents in share capital.

Payment of dividends in cash must be carried out within a maximum period of nine months following the end of the financial year, unless extended by a court authorisation.

8.3.4 MODIFICATIONS OF SHAREHOLDERS' RIGHTS

The modification of the Articles of Association requires the approval of an extraordinary general meeting in accordance with the quorum and majority required by applicable laws and regulations.

Notice of meeting (article 27 of Getlink SE's Articles of Association)

General meetings are convened in accordance with applicable laws and regulations.

Venue of meetings (article 27 of Getlink SE's Articles of Association)

General meetings are held at the registered office of Getlink SE or at any other place referred to in the notice of the meeting.

Attendance at general meetings (article 27 of Getlink SE's Articles of Association)

Admission to participate at the General Meetings is subject to the registration of the shares under the shareholder's name or that of his/her financial intermediary, by midnight (Paris time) on the second business day preceding the date of the General Meeting.

Any shareholder may attend general meetings in person or by proxy, regardless of the number of ordinary shares held, upon providing proof of identity and proof of ownership of the ordinary shares, by registering the ordinary shares in the shareholders' name or in the name of the intermediary registered on his behalf, either in the registered accounts held by Getlink SE, or in the bearer's form accounts held by the authorised intermediary in accordance with the provisions of article R. 225-85 of the French Commercial Code. E preference shares carry no voting rights at ordinary and extraordinary general meetings of holders of ordinary shares, although they carry voting rights at special general meetings of holders of E preference shares.

Use of electronic means of communication (article 27 of Getlink SE's Articles of Association)

If the Board so decides at the time the meeting is convened, any shareholder may participate and vote at general meetings by video conference or any other electronic means of communication in accordance with applicable laws and regulations.

For the purposes of calculating the quorum and majority, shareholders participating in the meeting by video conference or another form of electronic communication enabling them to be identified, and the nature and conditions of application of which are set in accordance with applicable laws and regulations, are deemed to be present.

Representation at general meetings (article 27 of Getlink SE's Articles of Association and articles L. 225-106 *et seq.* of the French Commercial Code)

Pursuant to articles L. 225-106 *et seq.* of the French Commercial Code, shareholders may be represented at meetings by the individual or legal entity of their choice under the conditions stipulated in current regulations. The proxy must prove his authority in accordance with article L. 225-106 of the French Commercial Code. He is bound by the disclosure obligations stipulated in current regulations. In addition, owners of securities referred to in the 3rd paragraph of article L. 228-1 of the French Commercial Code may be represented by a registered intermediary in accordance with the provisions of article L. 228-3-2 of the French Commercial Code.

Legal representatives of shareholders without legal capacity and individuals representing corporate shareholders may participate in general meetings, whether or not they are shareholders.

Authority to act as a proxy may be given for one meeting only and shall be in respect of the agenda of that meeting only. The authorisation must specify the meeting for which it is granted and provide necessary information to identify the ordinary shares. Authority may however be given for two meetings, one ordinary and the other extraordinary, held on the same day or within a period of fifteen days. The authority given for one meeting shall be valid for all successive meetings convened with the same agenda. The proxy named in person on the proxy form may not substitute any other person.

All documents required by applicable laws and regulations must be attached to all proxy forms sent to shareholders.

The proxy form must be signed by the shareholder being represented and provide the last name, the first name, the address, the number of ordinary shares owned and the number of votes attached to those ordinary shares. Only proxy forms which have been received two days prior to the meeting will be taken into account by Getlink SE.

The intermediary referred to in article L. 228-1 of the French Commercial Code may, pursuant to a securities management general mandate, send votes or powers of attorney on behalf of a shareholder as defined in article L. 228-1 of the French Commercial Code for the purposes of a general meeting.

Exercise of voting rights (article 27 of Getlink SE's Articles of Association)

All shareholders may vote by postal ballot under the conditions and within the time limits provided for by law by using a form prepared by Getlink SE and sent to shareholders requesting the form and provided such forms reach Getlink SE two days prior to the general meeting.

Chairmanship of general meetings (article 27 of Getlink SE's Articles of Association)

General meetings of shareholders are chaired by the Chairman of the Board or, in his absence, by the most senior Director present at the meeting. If the meeting has been convened by the statutory auditors, provisional liquidator or receivers, the general meeting shall be chaired by the person, or one of those persons, who called the meeting.

Quorum and majority at general meetings (articles 28 and 29 of Getlink SE's Articles of Association)

Ordinary, extraordinary, combined or special general meetings shall be subject to the quorum and majority conditions provided by applicable laws and regulations governing such meetings and shall exercise the powers conferred on them by law. The votes cast do not include those relating to ordinary shares for which the shareholder has not taken part in the vote or has abstained or voted blank or invalid.

Voting rights of holders of ordinary shares and double voting rights (article 11 of Getlink SE's Articles of Association)

Subject to the provisions set forth below, each member of a general meeting is entitled to as many voting rights and to cast as many votes as the number of fully paid-up ordinary shares he owns or is representing.

However, each fully paid-up ordinary share which has been held by the same shareholder in registered form for two years will carry a double voting right in accordance with applicable laws and regulations.

In the event of a share capital increase by incorporation of reserves, profits or share premiums, this double voting right is conferred from their date of issue to ordinary shares held in registered form and allocated for free to a shareholder by virtue of the existing ordinary shares from which he derived this right.

A merger or demerger of Getlink SE has no effect on the double voting right that may be exercised at shareholder meetings of the surviving companies if the articles of association of such companies so provide.

Any ordinary share converted into bearer form or which is transferred shall lose the double voting right conferred on it as described in the preceding three paragraphs. However, the double voting right is not lost and the time benefits are not affected by a transfer by inheritance, liquidation of assets held jointly by spouses or inter vivos gifts in favour of a spouse or relative entitled to inherit.

Voting rights of holders of E preference shares (article 11 of Getlink SE's Articles of Association)

E preference shares do not grant any voting rights at general meetings of the holders of ordinary shares; however, the holders of class E preference shares will be entitled to attend a special meeting, in the event of any amendments to the rights attached to this category of shares.

8.3.5 CLAUSES THAT MAY HAVE AN IMPACT ON THE CONTROL OF GETLINK SE

There are no provisions in the Articles of Association that could have the effect of delaying, deferring or preventing a change of control of Getlink SE.

8.3.6 IDENTIFICATION OF SHAREHOLDERS (ARTICLE 14 OF GETLINK SE'S ARTICLES OF ASSOCIATION)

Getlink SE has the right to request the securities clearing house for information relating to the identification of its shareholders in accordance with applicable laws and regulations (articles L. 228-2 *et seq.* of the French Commercial Code) as follows: their name or in the case of legal entities, their company name, nationality, address, number of shares held by each of them, any restrictions affecting the shares, the year of birth of the holder, or in the case of a legal entity, the date of its incorporation.

8.4 INFORMATION ON SHAREHOLDINGS

Table of shareholdings as at 31 December 2019

				% of capital and voting rights held by		
Company name	**Registered office**	**Country**	**Activities**	**Holding company***	**Subsidiaries***	**TOTAL***
Centre International de Formation Ferroviaire de la Côte d'Opale SAS (CIFFCO)	1, boulevard de l'Europe, 62231 Coquelles, France	France	Vocational training	100		100
Cheriton Leasing Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100

Company name	Registered office	Country	Activities	% of capital and voting rights held by Holding company*	Subsidiaries*	TOTAL*
Cheriton Resources 1 Limited**	UK Terminal, Ashford Road, Folkestone, CT18 8XX, United Kingdom	United Kingdom	None	100		100
Cheriton Resources 10 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Cheriton Resources 11 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Cheriton Resources 12 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Cheriton Resources 13 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Cheriton Resources 14 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Cheriton Resources 15 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Cheriton Resources 16 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Cheriton Resources 2 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
Cheriton Resources 3 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
Cheriton Resources 6 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
Cheriton Resources 7 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
Cheriton Resources 8 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
Cheriton Resources 9 Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
ElecLink Limited	4 Kingdom Street London W2 6BD United Kingdom	United Kingdom	Electricity transmission		100	100

Company name	Registered office	Country	Activities	% of capital and voting rights held by Holding company*	Subsidiaries*	TOTAL*
Euro-Immo GET SAS	1, boulevard de l'Europe, 62231 Coquelles, France	France	Property development	100		100
Europorte Channel SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Rail services		100	100
Europorte Channel UK Limited	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Rail services		100	100
Europorte France SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Rail freight operator		100	100
Europorte Proximité SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Goods transport by rail		100	100
Europorte SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Railways operator	100		100
Europorte Terminal Container du Sud-Ouest SAS**	6 rue du Courant 33310 Lormont France	France	Chartering and logistics		100	100
EuroSco SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Rolling stock fleet management		100	100
Euro-TransManche 3Be SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Asset management		100	100
Euro-TransManche 3NPC SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Asset management		100	100
Euro-TransManche Holding SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Asset management	100		100
Euro-TransManche SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Asset management		100	100
Eurotunnel Agent Services Limited	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Financing	100		100
Eurotunnel Developments Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
Eurotunnel Finance Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Financing		100	100

Company name	Registered office	Country	Activities	% of capital and voting rights held by: Holding company*	Subsidiaries*	TOTAL*
Eurotunnel Financial Services Limited	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Resale of insurance products		100	100
Eurotunnel Holding SAS	3 rue La Boétie 75008 Paris France	France	Asset management	100		100
Eurotunnel Management Services Limited	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Senior executive management	100		100
Eurotunnel Projet SAS**	3 rue La Boétie 75008 Paris, France	France	None	100		100
Eurotunnel SE	35 Square De Meeûs 1000 Brussels Belgium	Belgium	Centralising, management, development and sale of freight tickets		100	100
Eurotunnel Services GIE	3 rue La Boétie, 75008 Paris, France	France	Management of staff in France		100	100
Eurotunnel Services Limited	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Management of UK staff		100	100
Eurotunnel Trustees Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
EurotunnelPlus GmbH**, ***	Dammtorstraße 12, 20354 Hamburg Germany	Germany	None		100	100
EurotunnelPlus Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
France Manche SA	3 rue La Boétie, 75008 Paris, France	France	Operation of the Fixed Link		100	100
Gamond Insurance Company Limited	Maison Trinity, Trinity Square, St Peter Port, Guernsey Channel Islands	Guernsey	Insurance		100	100
GET Elec Limited	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Holding of investment in ElecLink project	100		100
GET Finances SAS**	3 rue La Boétie 75008 Paris France	France	Asset management		100	100
JP Serwices Logistic Transport SARL	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Local road freight transport		100	100
Le Shuttle Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100
London Carex Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None	100		100

Company name	Registered office	Country	Activities	% of capital and voting rights held by		
				Holding company*	Subsidiaries*	TOTAL*
Manutention Transport Service SAS	7 rue de Dunkerque 67000 Strasbourg, France	France	Non-cargo handling		20	20
MyFerryLink Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
MyFerryLink SAS**	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Asset management		100	100
Orbital Park Limited**	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	None		100	100
Socorail SAS	Tour LillEurope, 11 parvis de Rotterdam, 59777 Euralille, Lille, France	France	Non-cargo handling		100	100
The Channel Tunnel Group Limited	UK Terminal, Ashford Road, Folkestone, Kent CT18 8XX, United Kingdom	United Kingdom	Operation of the Fixed Link		100	100

* *Excluding shares held by Directors.*
** *These companies did not have any significant activity in 2019.*
*** *In the course of being wound up.*

The Group's related party transactions in 2019 are mentioned in note E.3 to the consolidated financial statements set out in section 2.2.1 of this Universal Registration Document and in note W to the Getlink SE parent company financial statements set out in section 2.2.2 of this Universal Registration Document.

8.5 STATUTORY AUDITORS

Statutory auditors

KPMG Audit, a division of KPMG SA

2, avenue Gambetta – Tour Eqho – 92066 Paris La Défense Cedex, France.

Date of initial appointment: 9 March 2007

Date of last renewal: 18 April 2019

Date of expiry of term of office: general meeting called to approve the financial statements for the financial year ending on 31 December 2024.

In accordance with the French Financial Security Act of 1 August 2003, rotation of KPMG Audit's signatory took place in 2019.

Mazars SA

61, rue Henri Regnault – 92075 Paris La Défense Cedex, France.

Date of initial appointment: 9 March 2007

Date of last renewal: 18 April 2019

Date of expiry of term of office: general meeting called to approve the financial statements for the financial year ending on 31 December 2024.

In accordance with the French Financial Security Act of 1 August 2003, rotation of Mazars' signatory took place in 2016.

8.6 RESPONSIBLE PERSON

8.6.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE FINANCIAL INFORMATION

Name and position of person responsible: Jacques Gounon, Chairman of the Board and Chief Executive Officer of Getlink SE.

E-mail: PresidentGET@getlinkgroup.com.

8.6.2 *DECLARATION BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT*

I declare, having taken all reasonable care to ensure that such is the case, that the information contained in this Universal Registration Document and its annexes is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its significance.

I declare that, to the best of my knowledge: (i) the financial statements for Getlink SE have been prepared in accordance with the applicable accounting standards and represent an accurate view of the assets, financial position and results of Getlink SE and of the companies comprised in the consolidation; and (ii) the management report made up of the sections of this Universal Registration Document listed in the cross reference table set out in the annex to this Universal Registration Document represents an accurate view of the development of the business, the results and the financial position of Getlink SE and of the companies comprised in the consolidation, and that it describes the main risks and uncertainties facing them.

I have obtained a final report from the statutory auditors stating that they have verified the information relating to the financial position and accounting data contained in this Universal Registration Document and have read the whole document.

8.6.3 *TRANSITION FROM THE REGISTRATION DOCUMENT TO THE UNIVERSAL REGISTRATION DOCUMENT*

In June 2017, the European legislators adopted a new regulation on prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market (known as “Prospectus 3”). This EU Regulation no 2017/1129 of the European Parliament and of the Council is applicable as of 21 July 2019.

The aim of this regulation is to simplify the presentation of information for issuers while improving the usefulness of the document for investors. In particular, it establishes a “Universal Registration Document” (URD) at the European level, which is a single, central vehicle for information, based on the French practice of the registration document, which it replaces as of 21 July 2019.

8.7 INFORMATION RECEIVED FROM THIRD PARTIES, STATEMENTS OF EXPERTS AND INTERESTED PARTIES

Nothing to report.

8.8 DOCUMENTS AVAILABLE TO THE PUBLIC

8.8.1 *LOCATION OF THE DOCUMENTS AND INFORMATION THAT CAN BE CONSULTED REGARDING GETLINK SE*

All of the corporate documents of Getlink SE which are to be made available to shareholders are accessible, as the case may be, on Getlink SE’s website (www.getlinkgroup.com) or paper copies may be consulted during normal office hours at the registered office of Getlink SE (3 rue La Boétie, 75008 Paris), telephone: +33 (01) 40 98 04 60.

8.8.2 *OTHER INFORMATION*

Analysts and investors

Contacts: Michael Schuller / Jean-Baptiste Roussille

Telephone: +44 (0) 1303 288719 / +33 (0) 140980481

Email: michael.schuller@getlinkgroup.com / jean-baptiste.roussille@getlinkgroup.com

Individual shareholders

Telephone: 0845 600 6634 (United Kingdom)

Telephone: 0809 100 627 (France)

Email: shareholder.info@getlinkgroup.com or info.actionnaires@getlinkgroup.com

General questions

Email: CommunicationInternet@getlinkgroup.com

DEFINITIONS

2017 Registration Document	means the registration document relating to Getlink SE filed at the Autorité des marchés financiers on 13 March 2018;
2018 Registration Document	means the registration document relating to Getlink SE filed at the Autorité des marchés financiers on 15 March 2019;
Afep/Medef Code	means the corporate governance code for listed companies, drawn up by the Association Française des Entreprises Privées (AFEP) and the Mouvement des Entreprises de France (MEDEF) and last updated in January 2020;
AMF	means the Autorité des Marchés Financiers, the French financial market regulator, an independent public organisation, being a legal entity, created pursuant to French Financial Security Act no 2003-706 of 1 August 2003 and which is tasked in particular with protecting savings invested in financial instruments, information for investors and the proper conduct of the markets in financial instruments;
ARAF	means the Autorité de Régulation des Activités Ferroviaires, an independent public authority responsible for the smooth running of the opening up of land transport (rail and road) in France to competition;
BRB	means the British Railways Board;
CDI	means the Crest Depositary Interests representing ordinary shares;
CIFFCO	means the simplified limited liability company Centre International de Formation Ferroviaire de la Côte d'Opale;
Concession	means the concession forming the subject matter of the Concession Agreement;
Concession Agreement	means the concession agreement dated 14 March 1986, as amended, between the States and the Concessionaires, under which the States granted to the Concessionaires the right and the obligation to design, finance, construct and operate the Channel Tunnel until 2086;
Concession Coordination Committee	means the joint body specified by clause 18 of the Concession Agreement composed of members nominated by the Concessionaires;
Concessionaire(s)	means FM and CTG, the concessionaires pursuant to the Concession Agreement;
CRE	means France's national energy regulator, the Commission de régulation de l'énergie, an independent administrative authority responsible for ensuring the proper functioning of the energy market;
Crossover Junction	means one of the two rail junctions allowing trains and Shuttles to switch from one rail tunnel to the other, particularly during maintenance or renovation works. The two Crossover Junctions divide each rail tunnel into three sections;
CSR or Corporate Social Responsibility	means the integration by companies, on a voluntary basis, of social, environmental and economic concerns in their business and in their interactions with stakeholders;
CTG	means The Channel Tunnel Group Limited, a Concessionaire company incorporated under English law;
Debt	means the debt arising from the Term Loan;
EFL	means Eurotunnel Finance Limited, a company incorporated under English law;
EGP	means Eurotunnel Group UK PLC, a company incorporated under English law and merged with Getlink SE on 31 October 2010;
EPC	means a complete turnkey engineering, procurement and construction contract;
EPF	means Europorte France SAS;
EPP	means Europorte Proximité SAS;
EPSF	means the French public rail safety authority, Établissement Public de Sécurité Ferroviaire, which is under the authority of the French Ministry of Transport;
EPTSCO	means the simplified limited liability company Europorte TCSO;
ERTMS	means the European Rail Traffic Management System, a European initiative aimed at harmonising European rail signalling;
ESGIE	means Eurotunnel Services GIE;
ESL	means Eurotunnel Services Limited;
ETICA	means Eurotunnel Incentive for Capacity Additions, a Group system of financial support open to all railway companies launching new cross-channel rail freight or high speed rail passenger services;
EU Prospectus 3 Regulation	means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, published in the Official Journal of the European Union on 30 June 2017;
Europorte	means all rail-freight operation and ancillary activities carried out by Europorte SAS and its subsidiaries;

Europorte SAS	means Europorte, the holding company of all the Europorte companies;
Eurostar	means the brand name used by Eurostar International Limited for its operation of direct high-speed passenger rail services between the United Kingdom and continental Europe;
Fixed Link	means the fixed link across the English Channel;
FM	means France Manche SA, a Concessionaire company incorporated under French law;
Free Cash Flow	means net cash flow from operating activities less net cash flow from investing activities (retreated) and net cash flow from financing activities relating to the service of the debt plus interest received (on cash and cash equivalents and other financial assets). The calculation is shown in section 2.1.3 of this Universal Registration Document;
GBRf	means GB Railfreight Limited, a company incorporated under English law wholly-owned by Europorte SAS up to its sale in November 2016 to EQT Infrastructure II;
Getlink SE	means Getlink SE (*Societas Europaea*);
GPR Getlink Index	means the Group's sectoral index, created in 2018 by an independent firm specialising in the creation of indices at the request of Getlink SE to measure the relative performance of the Getlink SE ordinary share. The index is based on a panel of shares representative of Getlink's operations and is in accordance with a methodology laid down and conforming with the standards of the EU directive UCITS (Undertakings for Collective Investments in Transferable Securities);
Green Bonds	means the Green Bond Senior Secured Notes (rated BB by Standard & Poors and BB+ by Fitch) maturing in October 2023 and issued for a principal amount of EUR 550 million in 2018;
Group	means the group of companies comprising Getlink SE and its subsidiaries;
GSM-R	means Global System for Mobile communications – Railways, a wireless communication standard based on GSM technology and developed specifically for railway communications and applications;
GW	means the gigawatt, a unit of power equal to 10^9 watts;
High Speed 1/HS1	means the high-speed rail link and its infrastructure between London and the British end of the Tunnel;
High-Speed Passenger Train	means Eurostar high-speed passenger train and any other future entrant;
IGC	means the intergovernmental commission, to which the British and French governments appoint an equal number of members, and which was established pursuant to the Treaty of Canterbury and the Concession Agreement in order to supervise the construction and operation of the System on behalf of the States;
IGC Channel Tunnel Safety Authority	means the authority established pursuant to the Treaty of Canterbury and the Concession Agreement to advise and assist the IGC on all matters concerning the safety of the construction and operation of the System;
Intermodal	means containers or swap bodies carried by train from one terminal to another, then transferred to another mode of transport (boat, road, etc), also referred to as combined transport;
Interval	means the sections of each rail tunnel between the entry portal and a Crossover Junction or between the two Crossover Junctions;
Lift-On/Lift-Off	means the top-loading method using a crane (for mobile containers and swap bodies);
MOOC	means Massive Online Open Course, the first free online training course open to all and provided by CIFFCO and called "Sur les rails de l'emploi", open since 11 January 2016;
Network Statement	means the document published annually by the Group which sets out the conditions of access to its Railway Network;
NRS	means the notes redeemable in Getlink SE ordinary shares issued by EGP in 2007, the early repayment of which was completed on 17 November 2009;
OFGEM	means the Office of Gas and Electricity Markets, the national regulator for the gas and electricity markets in the United Kingdom. Its equivalent in France is the Commission de régulation de l'énergie;
ORR	means the Office of Rail and Road, the economic regulator of Britain's mainline railway and the health and safety regulator on all Britain's railways as well as monitoring England's strategic highways network. It was previously the Office of Rail Regulation;
Passenger Shuttle Service	means the Group's passenger service, which provides for the transport of cars, motor homes, caravans, coaches, motorcycles, and trailers and, since 2016, commercial vans (and their passengers) on shuttles between the United Kingdom and France;
Passenger Shuttles	means the Shuttles used by the Group for the Passenger Shuttle Service;
Pit-Stop	means a consolidation point for security, safety and migration checks, set up at Eurotunnel's Folkestone and Coquelles terminals, ahead of the toll booths to enable officers to simultaneously capture data from 20 trucks and their cargo for the customs authorities prior to the crossing;

Rail Freight Services	means the rail freight services between the United Kingdom and continental Europe operated by Railway Companies such as SNCF, DB Cargo, GB Railfreight, Rail Operations Group, RailAdventure and Europorte, and potentially any freight train operator in open access;
Railway Company(ies)	means a licensed company (or undertaking) whose main business is to provide rail transport services for freight and/or passengers;
Railway Network	means the railway network located within the perimeter of the Concession;
Railway Usage Contract	means the railway usage contract dated 29 July 1987 between the Concessionaires and the Railways, governing the relationship between the Group and the Railways and setting out the basis upon which the Railways will use the System for the duration of the Contract;
Railways	means, together, SNCF and BRB;
Roll-On/Roll-Off	means the method of horizontal loading on wheels (for trucks and trailers);
SAFE	means the fire-fighting stations, specially fitted areas in the Tunnel intended to facilitate the management of a fire;
Salamandre Plan	means the set procedures designed to prevent and optimise control of risks pertaining to fire in the Tunnel;
Senior Independent Director	means an independent board member appointed to provide the Board with assistance in ensuring proper functioning of the company's governing bodies and the prevention of conflicts of interest and whose duties are set out in chapter 4 of this Universal Registration Document;
Senior Secured Notes	means €550 million 3.625% Senior Secured Notes issued by Getlink SE on 3 October 2018. The Notes are listed on the Official List of the Irish Stock Exchange (trading as Euronext Dublin) and are admitted to trading on the Global Exchange Market thereof. The Notes align with the June 2018 version of the International Capital Markets Association's Green Bonds Principles and are therefore considered "green" bonds;
Short Straits	means any passenger or freight link connecting Dover, Folkestone or Ramsgate to Calais, Boulogne-sur-Mer, Ostende or Dunkirk;
Shuttle Service(s)	means the Truck Shuttle Services and the Passenger Shuttle Services;
Shuttles	means the Truck Shuttles and the Passenger Shuttles;
SMS	means Safety Management System;
SNCB	means Société Nationale des Chemins de Fer Belges;
SNCF	means Société Nationale des Chemins de Fer Français;
SNCF Réseau	means the former EPIC (French public industrial and commercial institution) owner and manager of rail infrastructure in France, Réseau Ferré de France, that under article 12 of the law of 4 August 2014, became SNCF Réseau. This amendment created a public rail group, headed up by a public body (SNCF) which controls and directs the strategy, economic consistency, industrial integration and social unity of the group and that of its two subsidiaries: the manager of the rail infrastructure (SNCF Réseau) and the rail operator (SNCF Mobilités);
States	means the French Republic and the United Kingdom of Great Britain and Northern Ireland;
Sustainable Development	means a type of economic growth which seeks to reconcile economic and social progress with the protection of the environment, understanding the latter as being the inheritance to be passed on to future generations. The principle of sustainable development involves the development of the business whilst taking into account its short, medium and long-term impact on the environment, social conditions and ethics;
System	means the system made up of the Tunnel together with the related terminals, fixed equipment and installations;
Term Loan	means the term loan, the main characteristics of which are described in section 8.2.4 of this Universal Registration Document;
TNU	means the group of companies comprising TNU SA and TNU PLC merged with Getlink SE in 2009 and 2010;
TNU PLC	means TNU PLC, formerly Eurotunnel P.L.C. merged with Getlink SE on 31 October 2010 and subsequently dissolved;
TNU SA	means TNU SA, formerly Eurotunnel SA, merged with Getlink SE on 6 May 2009 and subsequently dissolved;
Transition Period	means the 11-month period provided for in the Withdrawal Agreement of the United Kingdom from the European Union, intended to allow for the negotiation of the future relationship between the European Union and the United Kingdom. This Transition Period will end at the end of the year 2020, but could if the United Kingdom Government so requests before 1 July 2020 be extended to the end of 2021 or 2022, without however exceeding a maximum duration of one or two years;

Treaty of Canterbury	means the Treaty between United Kingdom and France, signed on 12 February 1986 and ratified on 29 July 1987, authorising the construction and operation by the private concessionaires of the Fixed Link;
Truck Shuttle Service	means the Group's road freight service, which provides for the transport of trucks on Shuttles between the United Kingdom and France;
Truck Shuttles	means the Shuttles used by the Group for the Truck Shuttle Service;
Tunnel	means the two rail tunnels and the service tunnel under the English Channel;
Universal Registration Document	means this universal registration document relating to Getlink SE;
Withdrawal Agreement	means the agreement on the withdrawal of the United Kingdom from the European Union with a negotiated exit concluded between the United Kingdom and the European Union on 17 October 2019 and voted by the House of Lords on 22 January 2020 and ratified by the European Parliament on 29 January 2020.

UNIVERSAL REGISTRATION DOCUMENT CHECKLIST

The number of the chapter, section or paragraph of this Universal Registration Document containing the information referred to under each heading of Annexes I and II of the delegated (EU) Regulation 2019/979 of the Commission of 14 March 2019 supplementing (EU) Regulation 2017/1129 of the European Parliament and of the Council are set out in the following table.

Number	Heading as set out in the Regulation	Chapter(s)/section(s)
1	**Persons responsible**	**section 8.6**
1.1	Persons responsible for the information contained in the Universal Registration Document	section 8.6.1
1.2	Declaration by those responsible for the Universal Registration Document	section 8.6.2
1.3	Name, address, qualifications and potential interests of persons acting as experts who have produced a statement or report	not applicable
1.4	Certification of third party information	not applicable
1.5	Declaration by the issuer regarding approval by the competent authority	page I
2	**Statutory auditors**	**section 8.5**
2.1	Names and addresses of the issuer's statutory auditors	section 8.5
2.2	Statutory auditors having resigned or having been removed during the period covered	not applicable
3	**Risk factors**	**chapter 3**
3.1	Description of the significant risks	section 3.1
4	**Information about the issuer**	**section 1.1**
4.1	Legal and commercial name of the issuer	section 1.1.3
4.2	Place of registration, registration number and legal entity identifier (LEI) of the issuer	section 1.1.3
4.3	Date of incorporation and length of life of the issuer	section 1.1.3
4.4	Domicile and legal form of the issuer, legislation under which it operates, country of incorporation, address, telephone number and website	sections 1.1.3, 8.6 and 8.8
5	**Business overview**	**chapter 1**
5.1	Principal activities	sections 1.2 to 1.5
5.1.1	*Nature of the operations and principal activities performed by the issuer*	sections 1.2 to 1.6
5.1.2	*Significant new products and/or services introduced into the market*	sections 1.2 to 1.6
5.2	Principal markets	sections 1.2 to 1.6
5.3	Exceptional events in the development of activities	section 2.2.1 (note A)
5.4	Financial and non-financial strategy and objectives	chapter 6
5.5	Extent of the issuer's dependence on patents and licences, industrial, commercial or financial contracts, or new manufacturing processes	section 1.6.2
5.6	Basis for any statement made by the issuer regarding its competitive position	section 1.2.1
5.7	Investments	section 1.6
5.7.1	*Important investments made*	section 1.6.1
5.7.2	*Current or firm investments*	section 1.6.1
5.7.3	*Significant joint ventures and shareholdings*	not applicable
5.7.4	*Environmental impact of the use of property, plant and equipment*	section 6.6
6	**Organisational structure**	**section 1.1.3**
6.1	Description of the Group and the issuer's position within the Group	section 1.1.3
6.2	List of the issuer's significant subsidiaries	sections 1.1.3 and 8.4
7	**Operating and financial review**	**section 2.1**
7.1	The issuer's financial condition	section 2.1[50]
7.1.1	*Statement of changes and result of operations*	section 2.1
7.1.2	*Future changes and research and development activities*	sections 1.6.2, 1.1.2, 1.2.2, 1.2.4 and 1.6.1
7.2	Operating results	section 2.1.1
7.2.1	*Significant factors including unusual or infrequent events or new developments materially influencing the issuer's income from operations*	sections 2.1 and 2.2.1 (note A)
7.2.2	*Material changes in net sales or revenues and explanations thereof*	section 2.1.1
8	**Capital resources**	**chapter 2**
8.1	Information on the issuer's capital resources (short and long-term)	section 2.1.2
8.2	Sources and amounts of the issuer's cash flows	section 2.1.3

[50] *Pursuant to article 19 of (EU) Regulation 2017/1129 of the European Parliament and of the Council of 14 June 2017, the review of the financial position and results for the 2018 financial year has been incorporated in this Universal Registration Document. It features in chapter 2 of the 2018 Registration Document.*

Number	Heading as set out in the Regulation	Chapter(s)/section(s)
8.3	Information on the borrowing requirements and funding structure of the issuer	sections 8.2.4, 8.2.5 and 2.2.1 (note G)
8.4	Information on any restriction on the use of capital resources	sections 8.2.4, 8.2.5 and 2.2.1 (note G)
8.5	Information concerning the anticipated sources of funds	section 1.6.2.b
9	**Regulatory environment**	**section 8.1**
9.1	Any governmental, economic, fiscal, monetary or political measure or factor that has materially affected or may materially affect the issuer's operations.	section 8.1
10	**Trend information**	**section 2.3**
10.1	(a) Significant trends in production, sales and inventory, and costs and selling prices since the end of the last financial year up to the date of the registration document (b) Significant change in financial performance between the end of the last financial year and the date of the registration document	section 2.3
10.2	Known trends, uncertainty, demand, commitment or event that are reasonably likely to have a material effect on the issuer's prospects, for at least the current financial year	section 2.3
11	**Profit forecasts or estimates**	**not applicable**
11.1	Current and valid forecast or estimate of profit or statement as to why such forecast or estimate is no longer valid	not applicable
11.2	New profit forecast or estimate and statement setting out the main forecast assumptions on which the issuer bases it	not applicable
11.3	Certification of the profit forecast or profit estimate	not applicable
12	**Administrative, management and supervisory bodies and senior management**	**chapter 4**
12.1	Information on the activities, absence of convictions and the roles of: ▪ members of the administrative, management or supervisory bodies and senior management; and ▪ any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business	sections 4.2.1 and 4.2.4
12.2	Conflicts of interest at the level of the administrative, management and supervisory bodies and senior management	section 4.2.2
	Arrangements or understandings with major shareholders, customers, suppliers or others pursuant to which any of the persons referred to in item 12.1 was selected as a member of an administrative, management or supervisory board or as a member of senior management; details of any restriction accepted by the persons described in item 12.1 concerning the sale, within a certain period of time, of their holdings in the securities of the issuer	not applicable
13	**Remuneration and benefits of persons described in point 12.1**	**chapter 5**
13.1	The amount of remuneration paid and benefits in kind granted by the issuer and its subsidiaries	section 5.1.2
13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefits	section 5.1.4
14	**Board practices**	**chapter 4**
14.1	The date of expiry of the current term of office of members of the administrative, management or supervisory bodies	section 4.2.1
14.2	Information about service contracts of members of the administrative, management or supervisory bodies	section 4.1.2
14.3	Information about the issuer's audit committee and remuneration committee	section 4.2.5
14.4	Statement indicating whether or not the issuer is in compliance with the corporate governance regime in force	section 4.4
14.5	Potential material impacts on corporate governance, including future changes in the composition of administrative, management and committee bodies	sections 4.1.1 and 4.2.1
15	**Employees**	**section 6.5**
15.1	Number of employees at the end of the period covered by the historical financial information or the average for each financial year of this period and breakdown of the employees	section 2.4.1
15.2	Shareholding and stock options:	section 7.4.1
	With respect to each person referred to in item 12.1, information as to their share ownership and any options over such shares in the issuer	section 5.3
15.3	Arrangements for involving the employees in the capital of the issuer	section 2.2.2 (note J.3.2)
16	**Major shareholders**	**section 7.4**
16.1	Identity of any person other than a member of the administrative, management or supervisory bodies who holds, directly or indirectly, an interest in the capital or voting rights in the issuer which is notifiable under the applicable national laws governing the issuer	section 7.4.1
16.2	The existence of different voting rights	sections 8.3.2 and 8.3.4

Number	Heading as set out in the Regulation	Chapter(s)/section(s)
16.3	Ownership or control of the issuer and the measures taken to ensure that such control is not abused	not applicable
16.4	Arrangements, the operation of which may result in a change in control of the issuer	not applicable
17	**Related party transactions**	**section 2.4.5**
17.1	Details of transactions	section 2.2.1 (note E.3)
18	**Financial information concerning the issuer's assets and liabilities, financial position and profit and losses**	**chapter 2**
18.1	Historical financial information	section 2.4.6
18.1.1	Audited historical financial information	section 2.4.6
18.1.2	*Change of accounting reference date*	not applicable
18.1.3	*Accounting standards*	not applicable
18.1.4	*Change in accounting standards*	not applicable
18.1.5	*Minimum content of audited financial information*	section 2.2.1 (note B)
18.1.6	*Consolidated financial statements*	section 2.2.1
18.1.7	*Dates of the latest financial information*	section 2.2.1
18.2	Interim and other financial information	not applicable
18.2.1	*Quarterly and half-yearly financial information*	section 2.4.6
18.3	Audit of historical annual financial information	section 2.4
18.3.1	*Independent audit of historical annual financial information*	section 2.4.6
18.3.2	*Other information contained in the registration document verified by the statutory auditors*	sections 4.3 and 6.11
18.3.3	*Where financial information contained in the registration document is not extracted from the issuer's audited financial statements, state the source and state that it has not been audited.*	not applicable
18.4	*Pro forma* financial information	not applicable
18.5	Dividend distribution policy	section 7.2
18.5.1	*Description of dividend distribution policy and any applicable restrictions*	section 7.2
18.5.2	*Dividend per share*	section 7.2
18.6	Legal and arbitration proceedings	section 3.2
18.7	Significant change in the issuer's financial position	sections 2.1 and 3.1
19	**Additional information**	**chapters 7 and 8**
19.1	Share capital	section 7.1
19.1.1	*The amount of share capital subscribed for, the number of shares issued, their nominal value and difference between the number of shares in circulation at the beginning of the financial year and at the end*	section 7.1.1
19.1.2	*Shares not representing capital*	section 7.1.3
19.1.3	*The number, book value and face value of the shares held by the issuer or its subsidiaries*	section 7.3.2
19.1.4	*Convertible or exchangeable securities or securities with warrants*	section 7.1.3
19.1.5	*Information about and terms of any acquisition rights and obligation attached to the capital subscribed but not paid up, or undertaking to increase the capital*	section 7.1.4
19.1.6	*Information on the capital of any member of the group that is subject to an option or to an agreement providing for the capital to be subject to an option*	section 7.1.4
19.1.7	*History of the share capital for the period covered by the historical financial information*	section 7.1.5
19.2	Memorandum and Articles of Association	section 8.3
19.2.1	*The issuer's corporate purpose*	section 8.3.1
19.2.2	*Rights, preferences and restrictions attached to each class of existing shares*	section 8.3.2
19.2.3	*Constitutional, contractual or charter provisions that could have the effect of delaying, deferring or preventing a change of control*	none
20	**Material contracts**	**section 8.2**
21	**Documents available to the public**	**section 8.8**
21.1	Declaration on available documents	section 8.8.1

TABLE OF CROSS-REFERENCES

This Universal Registration Document includes all the components of the Getlink SE management report required by articles L. 225-100 *et seq.*, including article L. 225-100-I relating to the non-financial performance statement, L. 232-1, II and R. 225-102 of the French Commercial Code. The corporate governance report, the content of which is set out in articles L. 225-37 *et seq.* of the French Commercial Code, is included in this report. This Universal Registration Document also contains all the information from the annual financial report required by articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF General Regulations.

In order to make it easier to read the management and annual financial reports mentioned above, the following table of cross references identifies the sections which make up those reports. The table of cross references also covers the other reports of the Board and of the statutory auditors.

Number	Information	Reference
I	MANAGEMENT REPORT	
1	Situation and business of Getlink SE during the current financial year and, if applicable, of its subsidiaries and the companies it controls	chapter 1 sections 2.1 and 2.2 note A to the accounts contained in sections 2.2.1 and 2.2.2
2	Amendments made to the presentation of the accounts or the assessment method used in prior years	not applicable: note B to the accounts contained in sections 2.2.1 and 2.2.2
3	Results from the business activities of Getlink SE, its subsidiaries and companies it controls	sections 2.1, 2.2.1 and 2.2.2
4	Key financial performance indicators	sections 2.1.1.a, 2.1.3 and 2.1.4
5	Analysis of the development of business, results and financial situation	section 2.1
6	Progress made or difficulties encountered	section 2.1 and chapter 1
7	Description of the main risks and uncertainties facing Getlink SE (including Getlink SE's exposure to financial risks)	chapter 3
8	Delay in payments customers and suppliers	section 2.4
9	Internal control and risk management procedures put in place by the company, including in particular those relating to the preparation and treatment of financial and accounting information in the statutory accounts and, if applicable, the consolidated accounts	section 3.4
10	Financial risks linked to the effects of climate change and the measures taken to reduce them by implementing a low-carbon strategy in all the elements of its operation	sections 6.6.1
11	Indications concerning the use of financial instruments and aims and policy of Getlink SE relating to the management of financial risks	sections 3.1.3 and 2.2.1 (note G)
12	Important events that have occurred since the end of the financial year	section 2.3
13	Anticipated developments concerning Getlink SE and prospects for the future	section 2.3
14	Research and development activities	sections 1.6.2, 1.1.2, 1.2.2, 1.2.4 and 1.6.1
15	Dealings in Getlink SE securities by directors	section 4.2.3
16	Key environmental and social indicators	chapter 6
17	Non-financial performance statement: Business model Description of the main risks linked to the company's or group of companies' operations including when relevant and proportionate, the risks created by its business dealings, products and services Description of the policies applied by the company or group of companies including as the case may be due diligence procedures put in place to prevent, identify and mitigate the occurrence of risks Results of the policies including key performance indicators Independent third party report	chapter 6 section 1.1.2 section 6.1 sections 6.2 to 6.7 sections 6.2 to 6.7 section 6.11
18	Employees shareholdings	sections 7.1.4
19	Company operating classified installations: information on the policy to prevent the risk of technological accidents and the means planned to ensure the management and compensation of victims	not applicable
20	Holdings in any company having their registered office in France representing more than $^1/_{20}$, $^1/_{10}$, $^1/_5$, $^1/_3$, $^1/_2$ or $^2/_3$ of the share capital or the voting rights of such company	section 8.4
21	Disposals of shares for the purpose of regularising cross-holdings	not applicable

Number	Information	Reference
22	Natural or legal persons holding directly or indirectly more than $^{1}/_{20}$, $^{1}/_{10}$, $^{3}/_{20}$, $^{1}/_{5}$, $^{1}/_{4}$, $^{1}/_{3}$, $^{1}/_{2}$, $^{2}/_{3}$ or $^{19}/_{20}$ of the share capital or the Getlink SE voting rights at general meetings	section 7.4.1
23	Injunctions or fines for anti-competitive practices	not applicable
24	Elements for the calculations and results of the adjustment of the basis of conversion or exercise of securities giving access to the share capital and options to subscribe for or purchase shares	not applicable
25	Information on share buyback programmes [51]	section 7.3
26	Table of results of Getlink SE over the course of the past five financial years	section 2.4.1
27	Amount of dividends distributed over the last three financial years	section 7.2
28	Amount of loans with a term of less than three years granted by Getlink SE ancillary to its main activity	section 2.2.2 (note E.1)
29	Information on shareholdings	section 8.4
II	**ANNUAL CORPORATE GOVERNANCE REPORT**	
1	List of appointments and offices held by each director in any company during the past financial year	section 4.2.1
2	Agreements entered into, directly or via an intermediary, between a director or a shareholder holding at least 10% of the voting rights of Getlink SE on the one hand and any other company controlled by Getlink SE within the meaning of article L. 233-3 of the French Commercial Code on the other hand, with the exception of agreements relating to current operations and concluded at arm's length	section 4.3
3	Description of the procedure for evaluating non-regulated agreements and their implementation	section 4.2.5.a.vii
4	Table summarising of the delegations currently in force agreed by the shareholders in general meeting in relation to increases in capital in application of articles L. 225-129-1 and L. 225-129-2, stating those of which use has been made during the financial year	section 7.1.4
5	On the occasion of the first report or in case of amendment, the choice made between the two types of general management set out in article L. 225-51-1	section 4.1.1
6	Composition and terms applicable to the preparation and work of the Board	section 4.2.5
7	Diversity policy applicable to the Board of Directors	section 4.2.5
8	Limitations imposed by the Board on the powers of the Chief Executive Officer	section 4.1.1
9	When a company chooses to comply with a governance code drawn up by organisations representing businesses, the provisions that have not been followed and the reasons therefor, as well as the place where the code may be consulted	section 4.4
10	Particular arrangements for shareholders to attend general meetings or the provisions of the Articles of Association setting out those arrangements	sections 4.5 and 8.3.4
11	For each of the corporate officers:	
	▪ Presentation of the remuneration policy for executive officers to be submitted to the General Meeting in the context of the *ex ante* vote pursuant to article L. 225-37-2 of the French Commercial Code	section 5.1.1
	▪ Total remuneration and benefits of any nature paid or awarded by the company in the course of the financial year, with the fixed, variable and exceptional elements set out separately, including the allotment of capital securities, debt instruments or any other securities giving access to the equity of the company or companies mentioned in articles L. 228-13 and L. 228-93	section 5.1.2
	▪ Relative proportions of fixed and variable remuneration	sections 5.1.1 and 5.1.2
	▪ Use of the option to request the return of variable remuneration	not applicable
	Commitments of any kind undertaken for the benefit of the corporate officers, whether by way of remuneration, indemnities or benefits due or owing as a result of taking up, leaving or changing their role or following any such events, including retirement or other lifetime benefits	not applicable
	All remuneration paid or awarded by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code.	section 5.1.2
	Ratios between the compensation of the Chairman of the Board of Directors, the Chief Executive Officer and each Deputy Chief Executive Officer and the average and median remuneration of Getlink SE employees (on a full-time equivalent basis other than executive officers)	section 5.1.3

[51] *This information includes average prices of sales and purchases, the total amount of brokerage fees, the number of shares registered in the name of Getlink SE at the end of the financial year and their estimated market value as well as their nominal value, reasons for the acquisitions made and the fraction of capital they represent.*

TABLE OF CROSS-REFERENCES

Number	Information	Reference
	Annual evolution of remuneration, Getlink SE's performance, average remuneration on a full-time equivalent basis of the Company's employees, other than executives and the above-mentioned ratios over the last five financial years	section 5.1.3
	Explanation of how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the company and how the performance criteria have been applied	section 5.1.2
	Explanation of the manner in which the vote of the last ordinary general meeting provided for in article L. 225-100 II was taken into account	section 5.1.1
	Any deviation and any derogation from the application of the remuneration policy pursuant to article L. 225-37-2 III paragraph 2 of the French Commercial Code, including an explanation of the nature of the exceptional circumstances and an indication of the specific elements from which the deviation is made	not applicable
	Description of the variable components of the remuneration of corporate officers determined on the basis of the application of extra-financial performance criteria	sections 5.1.1 and 5.1.2
12	Presentation and if applicable explanation of the following elements when likely to have an impact on any public purchase or exchange offer:	
	Structure of the capital of Getlink SE	section 7.4
	Constitutional restrictions on the exercise of voting rights, transfers of shares, and provisions of agreements of which Getlink SE is made aware pursuant to article L.233-11 of the French Commercial Code	not applicable
	Direct or indirect holdings in the capital of Getlink SE, of which Getlink SE is aware in accordance with articles L. 233-7 and L. 233-12 of the French Commercial Code	section 7.4
	List of holders of all securities carrying special rights of control and a description of those rights	not applicable
	Control mechanism in any employee share ownership scheme where such control rights are not exercised by employees	not applicable
	Agreements between shareholders of which Getlink SE is aware and which may involve restrictions on the transfer of shares and the exercise of voting rights	not applicable
	Rules applicable to the appointment and replacement of members of the board of directors, as well as amendment of the Articles of Association of Getlink SE	sections 4.2.5, 4.5 and 8.3.4
	Powers of the board of directors, in particular the issue or buyback of shares	sections 4.2.5 and 7.3
	Agreements entered into by Getlink SE which may be amended or terminated on a change of control, except if such disclosure could harm its interests and is not legally required	section 8.2.5.c
	Agreements providing for indemnities to be paid to members of the board of directors or employees if they resign or are dismissed without cause or if their employment is terminated as a result of a public purchase or exchange offer	not applicable
13	Presentation of the planned resolutions relating to the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional elements that make up total remuneration and benefits of any kind that may be allocated to the Chairman, Chief Executive Officers and Deputy CEOs by reason of their office	section 5.1.1
14	For each of the corporate officers of the Société Anonyme who have at least one office in a company whose shares are admitted to trading on a regulated market, the information set out in article L.225-37-3 of the French Commercial Code (cf previously) on remuneration and benefits must be communicated	section 4.2.8
III	**ANNUAL FINANCIAL REPORT**	
1	Company accounts	section 2.2.2
2	Consolidated accounts	section 2.2.1
3	Statutory auditors' report on the company accounts	section 2.2.2
4	Statutory auditors' report on the consolidated accounts	section 2.2.1
5	Management report including at least the information referred to in articles L. 225-100 and L. 225-211 paragraph 2 of the French Commercial Code	Please refer to the management report mentioned in I above
6	Declaration of the persons responsible for the annual financial report	section 8.6
7	Statutory auditors' fees	section 2.2.1 (note J)
8	Report on corporate governance	Please refer to the corporate report mentioned in II above
IV	**OTHER REPORTS**	
1	Statutory auditors' special report on regulated agreements	section 4.3
2	Independent third party's attestation of disclosure and limited assurance report on the social, environmental and societal information published in the management report	section 6.11

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