

**Mr. Ban Ki-Moon  
Secretary General  
United Nations  
New York 10017  
United States of America**


Vélizy Villacoublay, November 8<sup>th</sup>, 2016

**Communication on Progress (COP) EIFFAGE**

Mr. Secretary General,

Please find enclosed the renewed commitment given by EIFFAGE Group to ensuring the implementation, dissemination and ongoing progress of the principles of the United Nations Global Compact in the Group's strategy and core activities.

Expressing the wish that a growing number of organizations and enterprises will adhere to these fundamental principles and thus reinforce the effectiveness of what is a unique initiative, I ask you, Mr. Secretary General, to accept the assurances of my highest consideration.



**Benoît de Ruffray**  
CEO

Encl : EIFFAGE Communication on Progress.

## **EIFFAGE Communication on Progress (COP)**

*November 8<sup>th</sup>, 2016*

In line with its corporate social responsibility and environmental policy, EIFFAGE joined the United Nations Global Compact as early as 2005 and has indicated to the Secretary General of the United Nations its renewed commitment every year since.

The present letter contains the formal, renewed commitment of EIFFAGE to support and to enact in its organization the ten principles of the United Nations Global Compact.

Since signing up to the Compact, the Group has systematically informed its employees, its business partners and its customers of this commitment, most notably through all of its publications (website, annual sustainable development reports, tender specifications to be met by subcontractors and suppliers). The EIFFAGE Group has translated the ten principles into practice in its Sustainable Development action plan, which has been rolled out across all its branches and is updated each year.

Benoît de Ruffray - Eiffage CEO, signed, in July 2016 a [sustainable development Charter](#) that apply to all Group employees.



For 2015-2016, EIFFAGE has continued to communicate on the undertakings given to the United Nations and has once again set out in its Annual Report the Group's major initiatives harmonized with each of the principles of the Global Compact.

The following are, for this year, the flagship actions of EIFFAGE that reflect the principles of the Global Compact.

## HUMAN RIGHTS, PRINCIPLES N°1 & 2

### **A. VALUES AND COMMITMENTS**

Promoting respect for customers and employees, and providing in-service training for craftsmen and managers are key pillars of Eiffage policy. Reducing the Group's ecological footprint is another major focus area.

The “Eiffage Charter of Values and Mission Statement”, first introduced in 1991 and subsequently reiterated and enhanced in 2008, sets out the Group's intangible principles: customer satisfaction, respect for employees, exemplary behaviour by managers, transparency justifying tighter audit and inspection procedures, eradication of conflicts of interest, proper consideration for the expectations of Eiffage stakeholders such as partners, suppliers and subcontractors, public authorities, interest groups and local residents.

The Charter, which is distributed throughout all divisions and management tiers, with a copy issued to every new employee, promotes a clear-headed approach to the growth outlook for Eiffage and its markets, and encourages a bold and tenacious attitude during less busy periods.

It is now accessible on Eiffage website dedicated to sustainable actions within the Group: [www.developpementdurable.eiffage.com/en](http://www.developpementdurable.eiffage.com/en)

The “Ethics and Commitments” guide gathers the following elements and informations :

1. Founding document produced in 1991, establishing a common baseline for all Group employees. The values described in the Charter, which were reiterated and enhanced in 2008, embody Eiffage's commitments to internal and external stakeholders,
2. Summary of Eiffage's sustainable development policy, which is reiterated each year in the Sustainable Development Annual Report,
3. Regulatory compliance (competition and insider trading, lobbying and influence), prevention of conflicts of interest (relationships with third parties, sponsorship policy, employees' public life), anti-corruption efforts (remuneration and gifts),
4. International labour standards, health and safety, anti-discrimination measures, non-use of offshoring practices, non-use of undeclared labour, child labour,
5. Purchasing policy, purchasing code of conduct, respect for subcontractors
6. Environmental policy (summary), GEODE software, “Biodiversity” and “Water and Aquatic Habitats” charters,
7. Global Compactn Carbon Disclosure Project, Bussiness and biodiversity offsets programme (BBOP), National Strategy for Biodiversity
8. Internal control, Whistleblowing, Scientific Council, voluntary ratings, verification of figures, consultation process.

## Values and Goals Guidelines

The Eiffage *Values and Goals Guidelines* constitute the common federating base of the entities that make up Eiffage (known since 1991 to the whole corporate body) which set forth the intangible principles of the Group. These principles involve customer satisfaction, the respect due to employees, balanced relations with shareholders and the taking into account of the expectations of the various stakeholders of Eiffage, such as its partners, suppliers and sub-contractors, public authorities, associations, local residents, etc.

These highlighted values are:

- **responsibility** towards employees and the hierarchy, towards clients and partners ;
- **trust** in all employees, between businesses of the Group, between operational and functional departments;
- **transparency**: essential for the respect of the values of trust and responsibility, it motivates all employee's duty to alert, justifies the reinforcement of audit and control procedures and the assistance that all employees must lend to them ;
- **exemplarity** of the directors;
- the **respect** due to customers, employees, suppliers and all business partners ;
- the **forbidding of all conflicts of interest** and moderation in functional expenditures and the reimbursement of expenses;
- **lucidity** regarding the evolution and the outlook for the evolution of Eiffage's markets;
- **courage and pugnacity**, values that are necessary to overcome periods of more moderate activity.

## B. THE EMPLOYEE SHARE OWNERSHIP, PART OF EIFFAGE'S DNA

Since 1990, when the first management buyout (MBO) was staged, Eiffage has stood out in the French entrepreneurial landscape for being a trail-blazer in developing effective employee share ownership. All employees, from the craftsmen to the managers, have been seduced by this model, investing in the capital of their company to share in its performances and contribute to its long-term success:

- Eiffage is unusual in the scale of the Group's employee share ownership scheme. Employees in all job categories as well as managers together own 25% of the company's equity,
- more than 64,000 employees and former employees are Eiffage shareholders, a record for France. In 2015, more than 33 000 employees bought shares worth a total of €117,4 million.

In 2015, subscription was open to employees in France, Belgium, Luxembourg and Senegal.

## **C. RESPONSABLE PURCHASING POLICY**

In 2015, Eiffage centralised the purchasing departments of the Construction, Energy and Infrastructures divisions into a single operational department attached to head office.

This new organisation has several goals :

- select suppliers based on objective criteria, in particular for their ability to provide relevant and innovative solutions to the group,
- strengthen management of the purchasing policy by professionalising the function and developing expertise by purchasing family,
- continue to integrate sustainable development criteria by forming long-term partnerships and regularly checking suppliers' CSR practices.

Over the past four years, Eiffage has been conducting a CSR assessment of its suppliers using the ACESIA platform, one of the sector's reference tools. The top priority in 2013 was to carry out a preliminary assessment of suppliers under framework contracts which entailed assessing 450 strategic suppliers. This assessment was relaunched in 2015 for strategic suppliers.

The Group purchasing department is committed to a goal of 50% coverage of suppliers under framework contracts by 2017 (compared with 35% in 2014), in particular via deployment of its new Group strategy.

The Group continued to promote awareness and professional development of buyers in 2015. The specialised Master Spé training courses in purchasing – “Creating performance” for buyers and “Managing performance” for managers – rolled out in Eiffage University, have enhanced the capabilities of 150 employees in line with the needs of the new organisation.

## **D. FULL CIVIC ENGAGEMENT AT THE INTERNATIONAL SCALE : AN EXEMPLE WITH EIFFAGE SENEGAL**

Eiffage Senegal, which signed up to the Senegal CSR and Sustainable Development Charter in 2012, has been assisting its employees and local people for many years, notably through logistic support for NGOs – such as its backing since 1995 for for *Le Kinkéliba*, an NGO which promotes medical development in rural areas.

Since 2011, Eiffage Senegal and the Eiffage Foundation have been supporting the Nubian Vault association which aims to promote knowledge of the Nubian vault construction technique and teach it to people in Senegal's Podor department.

For the past 10 years, Eiffage Senegal has been actively involved in efforts to prevent two problems still very prevalent in Africa: HIV/AIDS and occupational hazards. A partnership with the Senegalese National AIDS Prevention Council was formalised in 2012 by holding six

informal discussion sessions (known as chats) in a neighbourhood of Rufisque. These chats attracted total of 170 residents, including worksite staff, fishing organisations, a few associations including an organisation for seniors, well-known local figures and homemakers. As well as question-and-answer sessions, the chats featured practical information on STD transmission and prevention methods, distributions of female and male condoms, and personal accounts by people living with AIDS.

Lastly, Eiffage Senegal promote local well-being and environmental actions such as : participation in the creation of a 400-hectare eco-park in Dimebering forest, Casamance, allowing plots to be used to create an organic market garden near the Dakar motorway, etc...

Eiffage Senegal received recognition for its CSR policy at the Seventh International CSR Forum which took place in Dakar from November 19 to 22, 2015. On that occasion, a banner recognising the company's CSR achievements in 2015 was presented to Gérard Sénac by Aliou Sall, Mayor of Guediawaye and President of the Senegalese mayors' association.

## LABOUR STANDARDS, PRINCIPLES N°3, 4, 5 ET 6

### **A. HIRING AND RETAINING**

The divisions' recruitment strategies are based on ongoing programmes approved by their general managements. They involve:

- hiring more young people by diversifying recruitment sources and improving new employee orientation,
- making the recruitment process objective to ensure diversity and equal opportunity,
- fostering long-term employment through, for example, internal mobility,
- retaining and accommodating disabled and senior employees,
- hiring hard-to-place individuals by providing back-to-work programmes.

#### **a. Promoting young graduates' integration**

In 2015, 48% of Group recruitments were young people below the age of 26 hired on permanent contracts.

The company is using a wider range of methods to recruit candidates from more diverse backgrounds, with its strategy focused on supporting the Group as it adapts to change. Long-term shortages in certain occupations have required the divisions to provide more training programmes and seek new sources of candidates.

Through a variety of partnerships and forums, Eiffage seeks to form lasting ties with universities and top engineering schools and maintain relations between these institutions and the Eiffage managers they trained:

- group-level partnerships: École des Ponts et Chaussées, ESTP and Université de Paris I Panthéon-Sorbonne, Polytechnique,
- division-level partnerships: École Centrale, INSA Lyon and Rennes, Supelec and Esigelec,
- search for university interns and graduates studying engineering disciplines required by the Group's businesses, in partnership with the "Interfaces et Compétences" association,
- career exploration and promotion programmes, with the divisions participating in a variety of events, including job fairs, worksite tours and career days,
- presence on social network.

#### **b. Offering equal opportunity**

In line with the Eiffage Charter of Values and Mission Statement and the Group's official commitments, the divisions have all pledged to ensure diversity and equal opportunity during the recruitment process:

- offering job opportunities to young people from underprivileged neighbourhoods, hiring women for operational positions, and recruiting older and disabled employees are now the focus of targeted programmes and training for managers,

- adopted in 2009, the Group policy that proactively supports employing people with disabilities is regularly updated, and new initiatives continue to be launched. It seeks to change employee attitudes toward the disabled and promote conditions favourable to their hiring and retention,
- On 20 June 2013, Eiffage renewed its commitment by signing the Companies and Neighbourhoods Charter with the Ministry of Territorial Equality and Housing, represented by the Minister responsible for Cities, alongside thirty-nine other companies. The agreement aims to favour employment of young people from disadvantaged and other priority neighbourhoods.

Eiffage participates in the Disability & Skills Club whose purpose is to foster workplace integration and increase job retention for people with disabilities. The Club is currently examining the approaches to collaboration with the supported and sheltered sector, based on its members' practices. A guide has been published in 2015.

### c. Temporary employment

The divisions try to limit the use of temporary workers and regularly seek alternative solutions, such as internal transfers and organisational and planning efforts.

### d. The path to employment

Beyond compliance with the labour clauses included in some contracts and reserving a specific volume of work hours for unemployed individuals, Eiffage's internal policies encourage active collaboration by the divisions with local integration players, throughout the year and systematically for major projects.

For the work begun in summer 2014 to extend line 14 of the Paris Metro, Eiffage Travaux Publics plans for some 45,000 hours, or more than 5% of the total number of production hours, to be devoted to integrating people without work. Specialised agencies such as Pôle Emploi, the Local Mission and the local integration and employment plan (PLIE) are contributing to this effort. At the same time, structures within the division – and in particular the Bernes-sur-Oise school – are called on to introduce and train the individuals recruited in the framework of integration schemes.

#### **Pierre Berger Campus – a novel integration initiative**

In collaboration with CREPI Ile-de-France, the construction of the Pierre Berger campus was an opportunity to involve Eiffage and its subcontractors in offering ten work-study courses for the jobs of form setter, electrician, works supervisor and plumber. An interim review was conducted at the end of 2015 and identified 9,475 hours worked on the project from 2013 to 2015; the vocational courses will continue and be monitored beyond the construction of the campus through to 2017. Most of the applicants are young people with little or no qualifications, primarily residing in the two departments of Ile-de-France.

The Group supports related actions, particularly through renewed financial and logistic assistance provided by the divisions to the CREPI Federation, which brings together companies carrying out practical voluntary actions to support the integration of



disadvantaged populations. In 2015, 5,685 people were referred to the CREPI whose support led to 2,249 offers of professional solutions.

The Group also places high priority on social and employment integration projects through the Eiffage Foundation.

## B. RISK PREVENTION POLICY: CHANGING BEHAVIOUR

The protection of employee health and physical safety remains a fundamental goal for the Group, expressed in the "zero accidents" objective.

Involving all levels of employees and giving priority to initiatives focusing on behavioural change, the divisions have all made strong commitments to safety in their action plans. These initiatives include training programmes, the sharing of best practices and investments in equipment providing the highest level of safety.

The Group has consistently reduced its frequency and severity rates over the past three years. In 2015, the Group posted a frequency rate of 11.86 and a statutory severity rate of 0.87.



### a. Awareness campaign

Raising employees' awareness on an ongoing basis is a key success factor for risk prevention policies, and all divisions have ramped up their communication efforts:

- At APRR-AREA, the "All safety players" took a break in 2015 to prepare for rollout of the Safestart method. At the same time, the entities continued to disseminate the "Fil direct accident" for both workplace accidents with and without lost time and near accidents, since information helps to avoid a similar incident. According to ASFA, about a hundred accidents endanger personnel working on motorways each year, inattentive drivers being one of the main causes. To respond to increasing high-risk behaviour and slackening discipline highlighted by recent accidentology statistics, APRR and AREA have

rolled out new prevention and safety communication for users in association with employees. Under the slogan "Make motorways safer", the aim is to draw attention to the behaviour-safety connection by encouraging and acknowledging careful drivers who show respect for safety rules.

- The Infrastructures division continues to implement daily accident prevention tools that highlight 20 fundamental requirements. Every month one of the twenty situations (pedestrians, using manual tools, getting in and out of vehicles, etc.) is spotlighted to raise employees' awareness of safe movements and attitudes. As a result, the division noted that in 2015, 47% of establishments achieved "zero accidents". Following on from the "Silence Kills – Words Save" campaign organised in 2014, the 2015 operation, "Indifference Kills", sought to emphasize the danger induced by lack of concern for safety.

#### b. Training for safety

Professional safety training is mandatory for all employees. All of the Group's business units provide basic safety skills training and 15-minute safety sessions. New employees are introduced to safety guidelines through instructions, information sheets, employee handbooks or other orientation procedures. Every division has developed training processes devoted to safety in its core businesses. Temporary staff are subject to the same safety rules as employees and receive the same training and awareness courses, or courses developed specifically for them.

Tools to raise awareness and improve practices and behaviours are also widely disseminated in the form of guides or in interactive electronic formats. They are completed by VigiAttitude –the awareness and sharing tool developed in 2009 for certain activities to check what employees have learnt and their ability to detect risky situations.

#### **Traning courses adapted to the managers**

Branches have developed training program for managers inviting participants to fixe practical commitments for their specific situations.

#### c. Arduous work and psychosocial risks

Prevention of occupational pathologies is organised around specific training and adaptation of working conditions (procedures and equipment).

- The company agreements signed by APRR and AREA in December 2014 already integrated regulatory changes on working hours, including three factors of exposure applicable since 1 January 2015 and concerning the company: night work, shift work and repetitive work. In 2015, APRR and AREA also conducted audits of exposure to the factors of physical strain applicable as of 1 July 2016.

- At Eiffage Énergie, a physical strain master plan addresses three areas of work: reducing multiple exposure to occupational risk factors; developing skills and qualifications; and end-of-career adjustments. Since the beginning of 2015, Eiffage Energie has been active in the SERCE and FNTF task force with a view to drafting a division standard. At Clemessy, occupational diseases are specifically tracked by a computer tool shared by the Safety, Legal and Human Resources departments. The tool was updated in 2015 to improve monitoring of night work.
- The Infrastructures division, which signed a company agreement on physical strain in 2013, has prepared a national Physical Strain Prevention action plan for 2015-2016 on key topics of the division's businesses such as noise, vibration, handling, difficult working postures, chemical agents and climatic conditions.

Several improvements were again made this year to procedures and equipment: conveyor equipment for protection against dust, evacuation ducts on asphalt application equipment, design of an offset form stripping wrench reducing strain and noise of operations, a mechanical geogrid uncoiler, etc...

Concerning the fight against psychosocial risks, the divisions have, in particular, provided training as stipulated in the Group and industry-wide agreements.

Various agreements and programmes developed in the divisions involve action against stress and psychosocial risks. APRR and AREA now organise psychosocial risk assessment by means of updating the single evaluation documents according to a specified method. The prevention officer's assessment is shared with the Quality of Work Life committee, in connection with the Health, Safety and Working Conditions committees. Eiffage Construction continues to roll out the BSS for Health (basic safety skills) which aim to improve well-being beyond the working context and address topics such as addictions, sleep, diet, cardiovascular disease, noise, ergonomics and climatic conditions. BSS training courses are adapted to cover all areas of activity and are also available for all Infrastructures division staff.

### **C. TRAINING, ACTING RESPONSIBLY FOR THE BENEFIT OF US ALL**

Continuing vocational training is an effective means of meeting employees' career development goals, improving their skills and expanding the Group's expertise, while retaining staff as well. By giving priority consideration to its own employees, the Group fosters their ongoing career development and "employability" regardless of their initial training.

#### **a. Eiffage University**

The Eiffage University, founded in October 2014, now has dedicated training facilities. Its training programmes have been redesigned and refocused.

Eiffage's most precious resource, enabling it to tackle more than 100,000 projects a year, is its personnel. As a construction group, it has few permanent plants and most of its business is being conducted at work sites which are necessarily temporary. In some respects, each project — no matter how large or small — is a prototype, so Eiffage always provides its customers with bespoke solutions. Employees' motivation and expertise, and their ability to work as a team, are of key importance — along with training and our ability to promote career development. The Eiffage University, founded in October 2014, aims to meet those strategic needs.

The Group's training programmes have been redesigned and refocused to make them easier to understand, more visible and better suited to needs. This offering has now been standardised across the Group's various divisions to generate synergies.

The basic architecture of the Eiffage University consists of five "masters" courses (see opposite) catering for the needs of the great majority of Group employees, including field operatives, executives, craftsmen, works supervisors, engineers and finance specialists.

Common core training modules and standard methods have been defined to strengthen a share culture. Duplicate training courses between different business lines and regions have been dropped. Clearly defined topics — covering both business-specific training courses and cross-divisional courses, such as in management and legal affairs — are now taught in the same way throughout France. Some training modules, such as in basic skills, were designed to be especially compact to make them more effective. One or two-day modules cover theoretical knowledge as well as practical cases that are studied in small groups to more closely reflect actual situations in the field.

Priority is being given to in-house trainers for training courses, as they are better placed to link theoretical learning with real-life conditions in the Group. In 2015, these carefully selected trainers were themselves provided with special training in the form of one or two-day courses explaining best practices for the supervision and design of training modules, followed by a day of practical exercises. Already, nearly 400 in-house trainers are fully operational, and that number should rise to 1,000 by 2020.

A strict procedure has been implemented. Some training courses have now become compulsory so that the target population (for example, business development managers and works supervisors) all have the same standard knowledge, whatever their division or specialised field.

In 2016, steps will be taken to develop training courses for craftsmen. In line with Eiffage's international redeployment strategy, special emphasis will be placed on learning languages, especially English.

#### b. Adapting to change

Annual guidelines determine the priorities for the training plans developed on the basis of the companies' strategic objectives and the needs expressed by employees and their managers. The results of a series of performance reviews contribute to the development of the training plans, with equal opportunity a key aspect of the training programme.

A wide range of efforts are involved in training worksite staff, from required safety training to skill enhancement, with courses leading to certificates being the divisions' preferred option.

New training courses have been or are being developed at Eiffage Énergie to transmit the trade basics and improve business line expertise. The goal is to design appropriate training to serve as genuine professional development courses. Operational and functional representatives in the regions are thus involved in the design of the new Eiffage University training courses.

#### **D. DIVERSITY: ESTABLISHED COMMITMENTS**

In 1991, the first Eiffage Charter of Values established diversity as one of the Group's basic social principles. Twenty-two years later, the diversity commitment has been enriched with proactive strategies designed to promote equal opportunity for all, regardless of gender, age, national origin, religion, social class and health status.

Since 2010, the year of Eiffage's first Diversity & Equal Opportunity Action Plan (PADEC), the various agreements and action plans carried out by the divisions in response to Group commitments and regulatory changes are regularly updated, and new initiatives continue to be launched.

Group managers are trained and made aware of these issues through several modules encompassing individual leadership, team leadership and individual and professional appraisals, each attended by 604 employees in 2015.

#### **E. SOCIAL DIALOGUE EVER PRESENT**

In France and the Group's countries of operation, staff representative bodies have been set up and operate in compliance with the regulations applicable in each country.

The agreement concerning the renewal of the European Works Council, signed by Eiffage management and all labour unions in 2011 established the principle of two meetings each year and was extended in 2015.

##### **a. European Works Council and Group Works Council**

The agreement on renewing the Group Works Council, signed by management and the trade unions in December 2013, strengthens this body's operating resources and places particular emphasis on the training of new members.

The Group Works Council comprises thirty members appointed by the trade unions from among their elected representatives to the French subsidiaries' company-level and local works councils. It also meets twice a year.

#### b. Psycho-social risk prevention agreement

A new agreement on the prevention of stress and psychosocial risks – covering all French subsidiaries except APRR and AREA, which have their own agreement – was signed in October 2014. As the signatories felt it appropriate to continue the approach begun in 2011, this agreement essentially extends the arrangements put in place by the previous agreement for a period of three years.

Playing a key role in the programme, the health and safety committees track the indicators specified by the agreement on an annual basis. This gives a clearer picture of the risk conditions, enabling difficult situations to be identified as early as possible. These committees have also designated from among their members an advisor trained in issues relating to stress and psychosocial risks.

#### c. Health insurance expanded to include long-term care

The 2008 group agreement implements a healthcare coverage system for a large portion of the French subsidiaries, as well as providing long-term care coverage for retiring employees and their spouses. This cover is based on an accidental death and disability scheme that supplements the current death and disability plan.

The agreement is regularly amended, in particular to adapt the level of cover offered to employees and to integrate the new companies acquired by the group. Two amendments were signed on 21 December 2015.

A committee to monitor the mutual insurance plan, comprising management representatives and three representatives per trade union, examines the elements related to the system's management and operation with the help of an auditing firm, independent of the bargaining meetings. It met three times in 2015.

## ENVIRONMENT, PRINCIPLES N°7, 8 ET 9

### A. ENVIRONMENTAL POLICY WOVEN INTO THE GROUP'S CULTURE

The necessity of taking up the challenges of protecting the living world and the environment concerns all the Group's business activities.

For instance, a department with strong operational roots, the Sustainable Development department, is devoted to incorporating sustainability in tenders prepared by Eiffage as well as in its day-to-day activities. It also aims at anticipating the effects of climate change on the Group's businesses, channelled through the Phosphore sustainable development research programme. Phosphore is now responsible for developing new markets in the area of sustainable cities.

#### a. Two main pillars

1. Prevention and management of risks relating to environmental aspects of the Group's activities, with the twin aims of **reducing our ecological footprint and preventing any financial or criminal risks or reputational damage**. This is being achieved as follows:
  - internally:
    - measuring impacts and optimising the Group's ecological and energy footprint through effective management of energy, water and raw material consumption, greenhouse gas emissions and project waste,
    - rolling out in-service training and certification programmes to promote excellence in the area of environmental issues,
    - rolling out ISO 14001 certification across all business units.
  - through our business offerings:
    - developing and providing business units with operational tools that offer the customer a choice of green solutions with measured, verifiable impacts,
    - anticipating environmental risks in tendering processes and taking their technical and financial implications into consideration in the Group's proposals.
2. Focusing **R&D efforts on "alternative" construction techniques**, in particular by:
  - centring R&D on techniques and processes that reduce natural resource consumption and greenhouse gas emissions, and minimise direct and diffuse environmental impacts,
  - providing expertise in biodiversity preservation at all stages of the project cycle, based on applying the Avoid-Minimize-Offset strategy before submitting a project proposal, then during the site work and operational phases,
  - anticipating the consequences of climate change for the Group's business lines (via the Phosphore forward-looking research project), in order to:
    - make a radical shift from current processes in favour of solutions suitable for post-carbon cities, making maximum use of renewable energy,
    - promote systemic requirement assessments and seek solutions that decompartmentalise urban planning topics, such as mobility, energy, new-build versus renovation considerations and urban ecosystem services.

## **R&D close to the field and major projects**

The Group also implements a decentralised innovation policy focussing on customer expectations and the need to anticipate future technological and social challenges.

Several innovations are developed on the site of the Bretagne-Pays de Loire high-speed rail line. They include integrating recent industrial computing innovations or communication systems such as the energy security control system and a "high-availability" communications system designed and implemented by Eiffage Energie. In addition, a consolidated remote monitoring system for all the railroad facilities will streamline operational maintenance structures for the 20 years of line operation.

Innovations were also involved during the earthworks on this project with the use of crushed stone to replace an aggregate base. This solution reduces the thickness of the sub-ballast (20cm to 15cm on average) and the subgrade, thus saving on materials and making use of local materials.

The construction of Europe's largest photovoltaic solar plant in Cestas was an opportunity to implement an industrial logistics organisation which won the "core business" prize at the 2015 Eiffage Innovation Awards. Thanks to the supplier selection process, module production validation and monitoring, logistics platform and document database, work was completed by the participating Group subsidiaries in record time: in just eight months, 983,500 photovoltaic modules were laid on 16,500 steel and aluminium supporting frames, and almost 5,000 km of overhead and underground electric cables were installed to carry the power produced to the grid.

### **b. Commitment by top-tier management**

General Management has clearly demonstrated its commitment to reducing the Group's ecological footprint, with universally-distributed documents that structure its activities:

- **Internal policies**
  - funding charters defining Eiffage's position on issues such as "Biodiversity" and "Water and Aquatic Habitats", signed by the Chairman and distributed throughout all business units in the form of posters printed in several thousand copies,
  - division-level policies signed by the respective Chairmen.
- **Voluntary commitments**
  - group commitments via the National Biodiversity Strategy (SNB) in 2012,
  - member of the Carbon Disclosure Project since 2009,
  - signatory of the Global Compact since 2005,
  - corporate greenhouse gas emissions assessment in 2008 and 2012.



- **The Eiffage Sustainable Development Charter**

- Benoît de Ruffrays, - The new Eiffage CEO- signed, in July 2016 a sustainable development Charter that applies to all Group employees.



### c. A policy based on proven tools

- **Management and measurement,**

- effective environmental management achieved by deploying environment management systems and sharing best practices,
- implementation of the GEODE operating environment management application development jointly by Eiffage and Red-On-Line; this software enables the Group's business units to handle environmental issues such as regulatory compliance and environmental analyses at their sites, waste management and emergency situations,
- energy efficiency and decreased greenhouse gas emissions: analysis and reduced consumption of resources, greater use of renewable energy, and special-purpose environmental comparators that help businesses to choose between technical solutions.

- **Prevention and management of risks and impacts associated with activities,**

- systematic environmental analyses at permanent sites and environmental analyses at work sites using the GEODE application,
- systematic training for environmental managers in Group companies, and regular employee awareness campaigns relating to environmental issues (in particular when employees begin working at project sites),
- particularly proactive biodiversity preservation strategy, including a postgraduate-level in-service training course in partnership with the University of Paris I, feedback on best practices, a "biodiversity pack" designed to assist biodiversity risk prevention, and a system to pool the Group's knowledge via a "Biodiversity document collection " containing studies of species.

## B. A SUSTAINABLE CARBON POLICY

In 2008, Eiffage adopted a pioneering stance by transparently publishing the results of its first carbon assessment (scope 1&2), which identified the main sources of emissions, enabling corrective action to be focussed accordingly.

The Group's greenhouse gas emissions assessment was published on 15 November 2012, using 2011 data processed in accordance with regulatory requirements. The same calculation method was used to assess emissions in 2014.

Eiffage operates a two-pronged carbon strategy that not only addresses internal issues but also engages with customers. Efforts focus on:

- measuring and reducing the carbon footprint of the Group's activities,
- harnessing greenhouse gas emission reductions as a competitive advantage.

The Eiffage Group's four divisions - Construction, Infrastructures, Energy and Concessions – are committed to the fight against climate change, through their activities and their sustainable cities integrated offering. Eiffage is working towards this goal in a concerted effort with other French companies. In the light of the COP 21 environmental summit, the target is to cut greenhouse gas emissions by 5% over the 2015-2018 period.

### Avoiding emissions through a Carbon arbitration fund - the Bretagne Pays de la Loire high-speed rail link

Eiffage has developed a technical and economical tool the “carbon arbitration fund”, a unique financial mechanism in France which allows to identify low carbon techniques and to finance the considered solutions.

Through the fund and the low-carbon solutions, the equivalent of 14 000 tonnes of CO<sub>2</sub> were avoided in 3 years, which could correspond to the construction of 2km of high speed rail.

In 2011,



In 2014,



## C. PRESERVING BIODIVERSITY, A ROLE FOR BUSINESSES

Given the difficulties to reach the global goals for the protection of biodiversity, we are required to redouble our efforts, and Eiffage reiterates its proactive stance. Eiffage acknowledges its responsibility with respect to the environment and is aware that the Group is itself exposed to risks associated with biodiversity erosion, including predicted scarcity of mineral and fossil resources, over-consumption in natural areas, and the multiple pressures exerted on water resources.

### a. Founding texts preserved for posterity

The “Biodiversity” and “Water and Aquatic Habitats” charters, signed by the Chairman and CEO of Eiffage in May 2009 and March 2011, respectively, are not only methods for taking biodiversity and water resource-related issues into consideration, but also help to focus the efforts of the Group's employees. These documents are freely accessible on the Eiffage website, and can be found in all of the Group's operational business units in France and elsewhere.

A book entitled Towards Green Engineering, published in May 2014 and distributed to partners, also describes this commitment through examples illustrating how issues relating to the living world are addressed in the company's core businesses and practical initiatives.

### b. Innovation, R&D and biodiversity-related training

Since 2010, the Sustainable Development department has been creating and regularly updating operational and awareness-raising tools in partnership with the divisions. For example, the Biodiversity risk prevention and management kit, the Biodiversity archive and the Economic assessment module for ecological offsetting help employees assimilate and implement the prevention and management of risks to biodiversity in the performance of their work, from drafting proposals to operating structures.

Eiffage enhanced its support for research in many forms:

- Eiffage is continuing to raise awareness, provide training and support research to foster greater knowledge of ecological issues. Since the launch of the Bioterre Master's programme, in partnership with la Sorbonne. Acknowledged by the Ministry as part of the National strategy on biodiversity (SNB), it trains students and professionals to environmental issues within the context of major infrastructures and development projects. In 2015, Bioterre Masters programme was ranked in sixth place in the SMBG masters classification, raising it to first place in the university masters programmes in the field of environment and sustainable development. Since its launch six years ago, this training scheme has been attended by 26 employees from all divisions. They have written 12 theses on the relationship between their business and biodiversity, and now constitute strategic resources for Eiffage.
- The opening of the Butterfly Effect website focused on biodiversity in April 2014 was one of the key events of the year. As an interactive tool to raise the awareness of employees,

this website highlights the links existing between biodiversity issues and the Group's businesses. A few days after coming on line, the interest it held for employees was shown by the fact that it had registered 1,500 logins and more than three pages viewed per visit. Companies among Eiffage's partners and customers are also interested, for their own staff. ([www.effet-papillon.eiffage.com](http://www.effet-papillon.eiffage.com))

### c. Knowledge sharing and cooperation with peers

The Group continued its work with environmental bodies, particularly through its involvement in task forces set up by the Orée association, the FNTF construction industry group and the MEDEF employers association. It is also a member of the CIL&B "linear infrastructure & biodiversity club", composed of leading managers of publicly and privately-owned linear infrastructures.

In 2015, Eiffage and its divisions had their commitment to the French national biodiversity strategy (SNB) in its full scope officially recognised for a second period, by France's Ministry for Ecology, Sustainable Development and Energy.

This strategy endorses the commitment of french government to the Convention on biological diversity which defines a coherent frame for all actors to deliberately contribute. In this perspective, Eiffage is the only actor from the public works sector to be recognised since the beginning of this approach. By renewing its triannual engagement, the Group continues its 2012-2015 programme which actions are still to be intensified.

On the international scene, at the BBOP world *No Net Loss Summit* in London in June 2014 – Eiffage having been a member of this organisation since late 2013 – the LGV Bretagne–Pays de la Loire rail link offsetting programme was put forward to show that early ecological offsetting can avoid excessive land consumption while preserving the efficacy and quality of all the offsetting measures adopted.

## **ANTI-CORRUPTION, PRINCIPLE N°10**

The whistle blowing system was put in place by the Board of Directors in April 2009 and authorised by CNIL, the French data protection authority, on 23 July 2009. The system enables Eiffage Group employees to report compliance and ethics-related problems (unfair competition, corruption or abuse of trust) on a confidential basis. No problems were reported in 2012.

The In-House Audit Department of the Group supervises the in-house control in accordance with the frame of reference defined by the AMF.

The audit assignments are organized by the Senior Management of the Group and carried out by the In-House Audit Department according to a program defined each year and presented to the Accounts Committee, which draws up its list of recommendations. It is supplemented by occasional assignments decided on during the course of the year.

To measure, manage and organize the sustainable development process within each entity and to ensure respect of the Global Compact principles, EIFFAGE is using since 8 years the Enablon software dedicated to the reporting of social and environmental performance. The results presented in the Sustainable Development Report 2014 had been assessed by KPMG consulting firm, which provided an attestation of disclosure and limited assurance report on Corporate Social Responsibility (CSR) information.

Page 7 of the “Ethics and Commitments” guide precisely refers to anti corruption methods: <http://www.developpementdurable.eiffage.com/uploads/files/346167fd8fc3acc0b325bf3d2f128994.pdf>

*The following table sets out the correspondences between the domains targeted by these indicators and the principles of the Global Compact.*

<b>Principles of the Global Compact</b>			<b>Eiffage response</b>	<b>Pages</b>
<b>Human rights</b>	<b>1</b>	Support and respect the protection of internationally proclaimed human rights	<b>Group values</b>	211
			<b>Social Information</b> / Employment – Labour Relations – Health and safety – Training and education – Equal treatment	211-230
			Ethics & Commitments Guide	Internet
	<b>2</b>	Make sure not to be complicit in human rights abuses	<b>Group values</b>	211
			Ethics & Commitments Guide	Internet
<b>Labour standards</b>	<b>3</b>	Uphold the freedom of association and the effective recognition of the right to collective bargaining	<b>Group values</b>	211
			<b>Social Information</b> / Labour relations	219
			Ethics & Commitments Guide	Internet
	<b>4</b>	Support the elimination of all forms of forced and compulsory labour	<b>Group values</b>	211
			Ethics & Commitments Guide	Internet
	<b>5</b>	Support the effective abolition of child labour	<b>Group values</b>	211
Ethics & Commitments Guide			Internet	
<b>6</b>	Eliminate discrimination in respect of employment and occupation	<b>Group values</b>	211	
		<b>Social Information</b> / Employment – Labour Relations – Health and safety – Training and education – Equal treatment	211-230	
		Ethics & Commitments Guide	Internet	
<b>Environment</b>	<b>7</b>	Support a precautionary approach to environmental challenges	<b>Environmental Information</b> / General policy – Conserving resources – Climate change – Protecting biodiversity	230-243
			Ethics & Commitments Guide	Internet
	<b>8</b>	Undertake initiatives to promote greater environmental responsibility	<b>Environmental Information</b> / General policy – Conserving resources – Climate change – Protecting biodiversity	230-243
<b>Information concerning social commitments in support of sustainable development</b> / Relations with subcontractors and suppliers			247-248	
Ethics & Commitments Guide			Internet	
<b>9</b>	Encourage the development and diffusion of environmentally friendly technologies	<b>Environmental Information</b> / General policy – Conserving resources – Climate change – Protecting biodiversity	230-243	
		Ethics & Commitments Guide	Internet	
		<b>Information concerning social commitments in support of sustainable development</b> / Fair business practices	248-249	
<b>Anti-corruption</b>	<b>10</b>	Work against corruption in all its forms, including extortion and bribery	Ethics & Commitments Guide	Internet

## Check

2015 Eiffage annual report at:

[http://www.eiffage.com/files/live/sites/eiffage/files/Accueil/accueil-fr/rapport\\_annuel/rapport\\_annuel\\_complet\\_BD/index.htm](http://www.eiffage.com/files/live/sites/eiffage/files/Accueil/accueil-fr/rapport_annuel/rapport_annuel_complet_BD/index.htm)

Eiffage website for sustainability:

[www.developpementdurable.eiffage.com/en](http://www.developpementdurable.eiffage.com/en)