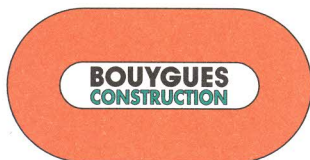




Communication On Progress 2011 of Bouygues Construction



Sustainable Development Department – September 2011



Le Président

13 September 2011

Statement of support for the Global Compact

Since 2006, Bouygues Construction has been committed to supporting and promoting, within its sphere of influence, the ten principles of the United Nations Global Compact regarding human and labour rights, protecting the environment and fighting corruption.

In 2011 we are renewing this commitment in order to further translate these principles into real actions, through our policy on sustainable development. This is based on seven strategies which consist of promoting relationships built on trust with our clients, risk management, accident prevention and healthcare of our staff, combating any form of discrimination in the company, establishing balanced relationships with our suppliers and sub-contractors, respect for the environment and our involvement in the economic and social life of countries in which we work.

Over the course of the year, our businesses have implemented numerous actions arising from these major strategies. These are described in our activity report, which is enclosed with this Progress Report. In this report, one section is dedicated to non-financial indicators enabling us to measure the progress of our sustainable development policy.

We also wanted to highlight the way our actions are implementing the ten principles of the Global Compact, and have therefore drawn up a summary table taking the actions put in place by Bouygues Construction for each of the principles, and presenting the associated performance indicators as well as the link with corporate report (see further on).

As President and Chief Executive Officer of Bouygues Construction, I would like to confirm our company's commitment to the initiative for progress created by the Global Compact.

A stylized, handwritten signature in blue ink, consisting of several loops and a long horizontal stroke.

Yves GABRIEL

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights ;

Ethics and respect for fundamental human rights

- The Bouygues code of ethics distributed to all members of staff.
- Company standards on health and safety applied to local staff.
- Decent working and accommodation conditions that respect cultures and communities.
- The Group does not allow itself to work in countries under a United Nations embargo.

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Respect for human rights.

Community commitment

- Support for initiatives promoting education and health through the company's *Terre Plurielle* foundation and support operations conducted by the different subsidiaries in their countries.
- Two main partnerships managed internationally: rebuilding homes in Cuba after the hurricanes with the Care association and allowing staff to undertake voluntary humanitarian missions in countries that have suffered natural catastrophes with Emergency Architects.
- In 2010, 439 partnerships were targeted to support work insertion, education and healthcare around the world.

2. make sure that they are not complicit in human rights abuses.

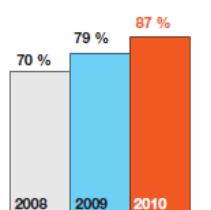
Responsible purchasing

- Formalised obligations to human rights through the supplier and sub-contractor RSE (CSR) charter: 87% of total sales turnover is achieved by operational units that always include this charter in their contracts.
- Supplier assessment on their CSR performance by a specialised external organisation, Ecovadis, providing objective analysis and a suppliers' benchmark.
- Social and quality audits: 47 carried out with new suppliers in emerging countries during 2010.
- Training for purchasers in responsible purchasing.
- In 2010 we signed the Major Client Charter (*Charte grands donneurs d'ordre*) – SME under the aegis of the Minister for the Economy, with ten commitments on responsible purchasing.
- Checking procedures to ensure that sub-contractors and suppliers do not use forced or child labour.

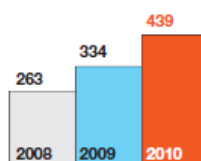
p.34
Respect for human rights

p.37
Involving our sub-contractors and suppliers in our initiatives –
Purchasing policy

p.66
Economic challenges



Share of total sales turnover achieved by operational units which have systematically integrated the Sustainable Development charter into their contracts with suppliers and sub-contractors.
(World 2010 – internal
Excluding VSL and Bouygues Batiment International in 2008 and 2009)



Number of partnerships aimed at support for job training, education and health during the year.
(World - internal)

Labour Standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Employment relations dialogue

- Negotiation of 109 collective agreements in 2010, including Compulsory Annual Negotiations.
- 85% staff turnout in the last elections for the works council/staff association (C.E.) in 2010.

p.68
Social and societal challenges

4. the elimination of all forms of forced and compulsory labour;

Measures against illegal labour

- Inspection procedures on construction sites: check all identity documents, work permits, badge entry systems for construction sites, training for site management, etc.
- Framework contracts signed with temp agencies including specific clauses on the lawful situation of employees provided to them.
- Checking procedures to ensure that sub-contractors and suppliers do not use forced or child labour.

p.34
Respect for human rights

5. the effective abolition of child labour;

p.37
Measures against illegal labour

6. the elimination of discrimination in respect of employment and occupation.

Diversity

Implementation of a policy to encourage diversity and ensure equal opportunities:

- Senior citizen staff: signed agreements in 2010 to promote recruitment and end of career support in all French subsidiaries.
- Male/Female equality: implementation of the 2008 agreements on occupational equality for men and women.
 - "Déployons nos elles" female staff operation with *IMS-Entreprendre pour la Cité*, to make careers for young women more diverse. "Réussir au féminin" training programme for female management.
 - Crane operator training course project for women with the Employers' Group for professional insertion and the qualification under BTP 76.
- Disability: most entities have signed agreements with *Agefiph* [state disabled persons' employment body] to raise employee awareness, recruitment, employment support and sub-contracting of disabled workers.
 - Travelling awareness campaigns on construction sites, called "Handitour".
 - Occupational support for disabled workers.
- Ethnic diversity: Implementation of "Equal opportunities" training since 2007, with 300 human resources and other managers trained.

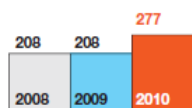
p.33 – 34
Diversity

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Facilitating integration

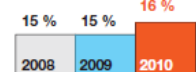
p.65
Promoting diversity in the company

p.68
Social and societal challenges

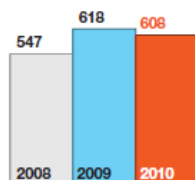
- Job insertion training: 277 operations conducted jointly with local job insertion training organisations in France during 2010. Example: site-colleges (*chantiers écoles*) in partnership with *Afpa* (association for adult occupational training) and Job Centres, employment training for young people from *EPID* (public authority for job insertion training), etc.



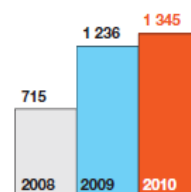
Number of joint programmes undertaken in the year with local job insertion training organisations. (France [61% turnover] - internal)



Proportion of women in the entire workforce. By grade (2010): Top Management (Board members): 9% / Managers: 21% / Technical managers: 32% / Site workers: 1%. (France – GRILA13)



Number of disabled workers on permanent employment contracts in France. (France - internal)



Total sales (in €k) for work contracted to work aid establishments and services during the year. (France - internal)

85 %

Staff turnout in the last elections for the works council/staff association (C.E.) compared to 84.5% in 2009. (France - internal)

Environment

7. Businesses should support a precautionary approach to environmental challenges;	Environmental risks management <ul style="list-style-type: none"> - Including environmental risk analysis in internal processes for projects: 83% of total sales turnover covered by an environmental management system certified to ISO 14001. - Collaboration with the Scientific and Technical Centre for Construction (<i>CSTB</i>) to develop Elodie, a life-cycle analysis tool assessing the environmental quality of projects using multi-criteria studies. 	p.64-65 Environmental challenges
8. undertake initiatives to promote greater environmental responsibility;	Preserving the environment in our production processes <ul style="list-style-type: none"> - Sustainable design: <ul style="list-style-type: none"> • Including eco-design, which considers all the environmental impacts of a project, from its design to its demolition: energy efficiency, CO2 emissions, economy of resources, etc. • Anticipating thermal regulations with 48 buildings built or being built in France during 2010 certified as Low Consumption Buildings (<i>BBC</i>). • Deployment of CarbonEco software, designed in-house, allowing us to account for greenhouse gas emissions associated with carrying out an operation: comparison of eco-variants, testing of different operating options. - Construction: <ul style="list-style-type: none"> • Reducing the environmental impacts of the construction site with the launch of the "Ecosite" construction site environmental approach and the associated certification, which defines standards across 11 areas: waste management, preserving biodiversity, reducing pollution, etc. During 2010, 68% of construction sites were certified. • Reducing the nuisance to neighbourhood residents: simulating and controlling noise level on sites, using self-compacting concrete to eliminate vibrations. - Operation: <ul style="list-style-type: none"> • Supporting clients with issues regarding the management of energy consumption in the operating phase: energy efficiency contract, tools for real-time control and monitoring of energy consumption for the building (Hypervision), etc. - Partnerships: <ul style="list-style-type: none"> • Membership of the WWF Global Forest and Trade network to increase the volumes of wood purchased from forests managed according to principles ensuring the sustainability of resources, maintenance of biodiversity and social well-being. • Five-year partnership on biodiversity in infrastructure projects with the Noé Conservation association. 	p.64-65; 67 Environmental challenges p.39 Involving our sub-contractors and suppliers in our initiatives
	Environment preservation in our operating procedures <ul style="list-style-type: none"> - Reducing transport emissions: Company vehicles with low CO2 emissions, Company Travel Plans (<i>PDE</i>) in five subsidiaries and at the Bouygues Construction head office, eco-driving training, etc. - Reducing consumption of our sites: data processing, consumption of paper, electricity, water, etc. - Raising staff awareness in offices and on construction sites: "Eco-action" campaigns. 	

9. encourage the development and diffusion of Environmentally friendly technologies.

R&D and innovation

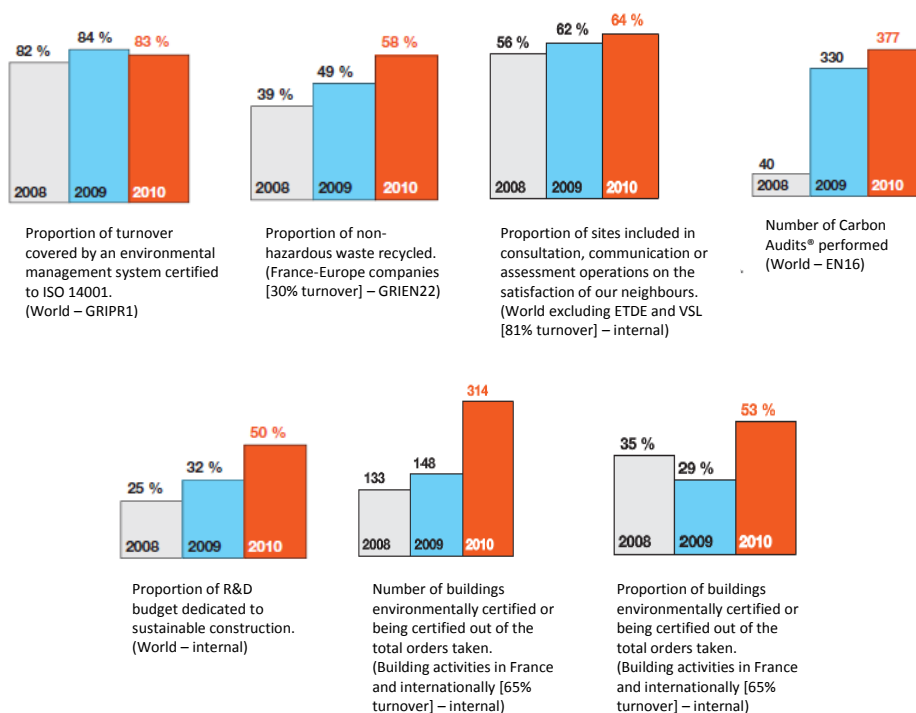
- Creation of the "Sustainable Building and Innovation" Research Chair in partnership with the *Ponts ParisTech* college, *l'Ecole Centrale* Paris college and the Scientific and Technical Centre for Construction (CSTB). Its objective is to get researchers and postgraduate doctorate students working on low carbon technologies, sustainable buildings and towns, the total cost approach, etc.
- Concentrating most of the Group's R&D efforts in sustainable construction, with 50% of expenditure in 2010 and 80% planned in 2011. Main research programmes: Energy efficiency of buildings, reduced carbon emissions, developing an environmental characterisation database for finishing products, air quality inside buildings, estimating the total cost of buildings, eco-design.
- Cooperative agreements with industrial companies and laboratories. For example, partnership with Lafarge has enabled us to develop Thermédia™ 0.6 B structural insulating concrete.
- Organisation of the Innovation competition within business entities and across the Group. Among the innovations awarded prizes in 2010: a proactive commercial approach to biodiversity in infrastructure projects, a new approach to lighting and power supplies, etc.

Diffusion and sharing knowledge

- Creation of the Sustainable Construction Club, a forum for consideration and discussion with clients and partners of Bouygues Construction. Four think tanks: Social housing, Renewable energy, Offices, University Campuses.
- Sharing knowledge about sustainable construction: taking part in the work of Committee 21, the Grenelle Building Plan, AFNOR, founder member of GBC France (Green Building Council), etc.

p.28-30
Innovation, a response to our main issues

p.65
Environmental challenges



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Ecosite-certified sites at 31 December 2010 (internal site environmental certification), 68% of certifiable sites.
(World excluding VSL – internal)

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.	Business ethics <ul style="list-style-type: none">- Warning systems for anti-competitive practices.- More in-depth investigations before appointing commercial agents.- Creation of an ethics committee.- Training programmes dedicated to ethics for managers: 1837 managers trained in business ethics between 2008 and 2010.	p.37 Ethics and client relations p.66 Economic challenges
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Link to the 2010 Corporate Report:

[Bouygues Construction - 2010 Corporate Report](#)