

## **1. Human Right - Labour - Anti-Corruption (Principles 1, 2, 4, 5 and 10)**

Bouygues Immobilier is present in countries respectful of human rights and where the right to work is regulated, particularly that of children. Those countries are France, Poland, Morocco and Belgium.

Bouygues Immobilier also resorts to the local subcontracting. In the event that a subcontractor would use an unknown supplier, Bouygues Immobilier appeals to Ecovadis, a firm specialized in suppliers evaluation and accreditation on criteria related to sustainable development such as social practices. In 2016, Bouygues Immobilier defined a target for 2020: 100% of assessed suppliers on the new purchase platform for Residential.

Furthermore, Bouygues Group has set up a CSR Charter which Bouygues Immobilier refers in contracts signed with suppliers.

Bouygues Immobilier also refers to the Group Code of Ethics and its principles in its actions, and has set up a trainee on "Ethics and anti-competitive behaviors in real estate business" available to all employees. Thereafter, a Committee on Ethics and Sponsoring was created in 2004, which oversees the actions of Bouygues Immobilier to ensure compliance with the values and rules of the Group. Since December 2010, a person in charge of Ethics is also appointed.

## **2. Labour (Principles 3 and 6)**

Bouygues Immobilier had 1,734 employees at end-December 2015, 47,4% of whom are women. Bouygues Immobilier hired 165 new employees in 2015.

In 2016, for the third consecutive year Bouygues Immobilier received the Top Employer France certification, rewarding its human resources policy and enhancing its responsible and innovative approach.

Bouygues Immobilier aims to foster diversity in the workforce. This is why Bouygues Immobilier has set up several agreements about senior and junior employees and disabled workers.

### **Inter-generations agreement**

The inter-generations agreement, signed the September 20<sup>th</sup> 2013, has two main objectives, each declined into four priorities:

To encourage the recruitment of "junior" employees, under the age of 27 years old (30 years for employees with disabilities) and their successful integration :

- Recruitment of "junior" employees in long term contract
- Integration process of "junior" employees
- Mentorship and integration of employees
- Results of integration of "junior" employees

To recruit and to retain "seniors" staff employment. To strengthen the working conditions and to develop the transition between work and retirement :

- Recruitment of "senior" employees
- Development of the last years of work of "senior" employees

- Working conditions for “senior” employees
- Job retention of “senior” employees

### Disabled people agreements

For several years Bouygues Immobilier has been committed to a ‘disabled people-friendly’ approach. Apart from an agreement on the employment and professional insertion of the disabled people, which was signed in 2010, Bouygues Immobilier has initiated 5 priority courses of action :

- Increasing recruitment of people with disabilities by hiring at least 30 disabled employees over 3 years.
- Extending subcontracting into the sheltered employment sector, namely using firms that enable the severely disabled people to exercise an occupation under specially adapted conditions: in 2011, Bouygues Immobilier decided to increase by 5% every year the amount of these purchases for the three following years..
- Assisting employees with disabilities in the procedures for recognition of their status as disabled workers.
- Keeping disabled workers in employment by, if necessary and wherever possible, redefining job descriptions and covering their complementary health-insurance costs.
- Carrying out awareness campaigns and training for the entire workforce to guarantee that everyone is aware of the ‘disabled people-friendly’ approach.

Furthermore, always responsive to its people's concerns, Bouygues Immobilier carried out an in-house survey in April 2014. Entitled "Well-being and Performance 2014", the survey was intended to find out how its employees feel within the company. Carried out by Ipsos, an independent organization, using an anonymous questionnaire, it showed that employees are generally very satisfied with their working conditions. 89 % of respondents said that they were globally satisfied to work for Bouygues Immobilier. Next survey will be carried out during the first quarter of 2017.

Another example of Bouygues Immobilier commitment was carried out for the second time in September 2015 : Bouygues Immobilier held a large Community Day as part of the Solid'R operation, during which more than 82 % of its staff replaced a normal working day with practical voluntary work for charity. Organized with Unis-Cité, it was the biggest corporate community day in France. 1,400 employees took part in this **Solid'R Day** held at Bouygues Immobilier, donating their time and skills to 67 local associations and charities which makes up to 9,600 hours of voluntary work in a single day.

### **3. Environment (Principles 7, 8 and 9)**

Through its leading position in low-energy and positive-energy buildings, Bouygues Immobilier has developed new skills in building energy management with the aim of helping users to control their energy consumption and reduce their energy bills.

#### **Environment at the heart of Bouygues Immobilier strategy**

##### ***Residential property***

In April 2013, Bouygues Immobilier delivered the first eco-community in the immediate vicinity of Paris. The 12-hectare neighbourhood includes 1,620 housing units and 1,590 square meters of retail plus offices and public amenities including a 350 fruit trees orchard and 4ha of green spaces. Heating and domestic hot water is produced by a geothermal system. The neighbourhood also has a highly innovative compressed-air waste collection system and a car-pooling scheme with an integrated reservation system. To support development of social mixity in the neighbourhood, the Fort d'Issy includes 164 social housing.

All high-energy performance buildings have BBC-Effinergie® low-energy certification and a system that enables occupants to monitor energy consumption in real time and control windows, lighting and heating, room by room. These operations can be performed remotely from a mobile phone, helping occupants to keep complete control over their energy costs.

To go further, in July 2014, Bouygues Immobilier started building Green Home in Nanterre, its third positive energy building of 147 housings and nearly 2,000 m<sup>2</sup> of offices and public facilities.

Based on the use of renewable energies, and low energy consumption process, the building produces more energy than it needs.

Bouygues Immobilier also developed a strong expertise in passive energy buildings (consuming less than 15 kWh / m<sup>2</sup> / year). For instance, the 35 individual timber frame "passiv'haus" houses of the residential housing program Les Lodges in Chanteloup-en-Brie are eco-friendly designed to minimize energy costs and CO<sub>2</sub> emissions and were inaugurated in April 2015.

##### ***Green Office®: the first large-scale, positive-energy office building***

With Green Office®, Bouygues Immobilier built France's first positive energy offices buildings.

The latest project is Batignolles Green Office® building (15 770 m<sup>2</sup>) in Paris, scheduled to be the first large scale office building with a wooden structure. The use of wood materials together with a photovoltaic plant among other energy production equipments will make this Green Office® an emblem of low carbon performance office building.

Bouygues Immobilier targeted to reach 20 % of the Office Building production with its Green Office® buildings by 2015 and actually reached 23%.  
New objective by 2020 is to now reach 35% by 2020.

##### ***Green value in existing buildings : Rehagreen®***

The property sector in France (residential and commercial combined) accounts for 46% of energy consumption and 25% of CO2 emissions. **Sustainable construction** is absolutely essential, of course, but it is not enough because new buildings represent only 1% the building stock in France. **Sustainable rehabilitation** of existing buildings is a key factor in reducing the property sector environmental footprint.

Aware that traditional buildings are obsolescent, users are highly sensitive to the new rules of the environmental game. Investors are also increasingly attentive to green value, since under the Grenelle environmental plan they have eight years from January 1<sup>st</sup>, 2008, to cut the consumption of post-1948 office buildings by 40%.

Spotting an opportunity, Bouygues Immobilier has developed a service package called Rehagreen® to enhance the value of existing property assets. After conducting a thermal diagnosis, Rehagreen® takes a comprehensive approach to the asset in order to determine all the potential areas of value enhancement, based on multicriteria analysis that combines technical, regulatory, functional and planning aspects. Rehagreen® produces a range of value enhancement scenarios and includes a decision support feature to help owners in their choice according to their strategy.

Bouygues Immobilier launched in 2014 the rehabilitation of a 42 000 square meters building in Issy-les-moulineaux (Lemnys Peri XV): thanks to the comparative Carbon Footprint analysis (construction and operation over 30 years) of 4 different renovation scenarios, Bouygues Immobilier was able to highlight the best solution allowing 22 million euros energy savings accumulated over an operating period of 30 years. In addition to energy and carbon emissions savings, the renovation of the site will greatly improve the quality of use of the building for its occupants. With Lemnys Peri XV, Bouygues Immobilier is realizing a virtuous property development, at the forefront of sustainable development.

In June 2015, Bouygues Immobilier also inaugurated the 51 000 m<sup>2</sup> of Sanofi Campus, emblem of Rehagreen® approach. The project includes a photovoltaic plant, solar thermal panels and a rainwater collection system for irrigating the garden. The Campus is meant to reach BREEAM Very Good and HQE® Exceptional Passport certifications.

Bouygues Immobilier targeted to reach 30 % of the Office Building production with its Rehagreen® buildings by 2015, and actually reached 35%

New objective for Rehagreen® by 2020 is now to maintain these 35%.

### ***Neighbourhoods : UrbanEra®***

UrbanEra® approach reflects Bouygues Immobilier commitment to imagining the city of the future. A pioneer in smart building design with Green Office®, Bouygues Immobilier is now teaming up with new industrial partners to develop the essential technologies and, thus, reduce energy consumption at neighbourhood level.

Launched in September 2011, it marked the start of a new phase in Bouygues Immobilier development.

With Ginko, the first UrbanEra® project built in Bordeaux (South-West of France), Bouygues Immobilier realized an Ecodistrict including 2,200 housings, 21,350 m<sup>2</sup> of public facilities, 30,000 m<sup>2</sup> of retail development, two schools, one college and 25,180 m<sup>2</sup> of offices in an area of 32 ha. Ginko Bordeaux Ecodistrict, Cap Azur Roquebrune-Cap-Martin ecodistrict and Pompidou-Le-Mignon ecodistrict at Bois-Colombes, outside Paris, all produced by Bouygues Immobilier, were recently awarded with the Ecoquartier distinction from French “Minister of The equity of territories, and accommodations”. This stage of the labelling process distinguishes projects underway for their environmental and social performance and the feasibility of the project.

Bouygues Immobilier is the only private property development company being awarded for two projects. With Ginko, and Cap Azur, Bouygues Immobilier has gone further, scaling its energy expertise up to neighborhood level, as well as addressing the new needs of local authorities, and meeting residents expectations for a more sustainable and more desirable urban environment. With UrbanEra<sup>®</sup>, Bouygues Immobilier has come up with the first 360° approach to the urban eco-system, based on the interdependence of buildings and functions. Energy management and provision of long-term urban services will keep Bouygues Immobilier involved throughout the entire lifecycle of its projects. Bouygues Immobilier is now positioning itself as a full-service urban operator. In that respect, UrbanEra<sup>®</sup> represents a future source of growth and a platform for our development in the years to come.

In addition, IssyGrid<sup>®</sup> is the first full-scale trial of a smartgrid able to fine-tune energy production and consumption at the level of an entire neighbourhood. Located in the Seine Ouest business district in Issy-les-Moulineaux, near Paris, IssyGrid<sup>®</sup> will be the first district smartgrid in France, spanning 160,000 m<sup>2</sup> and meeting the needs of almost 10,000 people.

Items currently connected to the grid are:

- 94 housings of the Seine West district,
- Bouygues Immobilier and Bouygues Telecom headquarters office buildings (Soon Steria and Microsoft ones),
- the public lighting in three blocks from the Seine West area.

Future connections include:

- solar panels on the weather station building,
- Fort d'Issy eco-neighbourhood, with its 1,500 apartments and 4,500 inhabitants,
- electric vehicles charging,
- street lighting.

End 2015, François Bertière, CEO of Bouygues Immobilier, inaugurated the Hikari project - 3 buildings in mixed-used development zone - which was part of the Lyon Confluence urban development project and was remarkable for its progress in energy efficiency. Buildings were supposed to incorporate three sources of renewable energy production:

- photovoltaic panels on the roof and front of the housing blocks which will produce the equivalent of around 160 houses consumption,
- a geothermal energy system,
- a cogeneration power plant fuelled by locally produced rapeseed oil.

It was also proposed to pool the energy consumption and production of the three buildings through an energy communication network.

The scale of the development and the sheer extent of innovation make Hikari one of the largest demonstration projects in Europe. Located at the end of the harbor basin in the heart of the Confluence district, the 12,800 m<sup>2</sup> development comprises three mixed-use buildings containing offices, shops and apartments. Packed with innovative technologies related to renewable energy sources, Hikari over a full year will produce more energy than it consumes.

Hikari is part of the Lyon Smart Community, a project which looks forward to the city of the future through shared control of energy consumption over the entire development. This control is backed up by an exacting technical and architectural design:

- continuous consumption tracking and tailored management of energy production and distribution;

- bioclimatic architecture, featuring an energy-efficient envelope and optimum use of daylight and solar radiation;
- innovative technology: ecological energy production (power, heating, cooling) using a range of different technologies with a focus on reducing primary energy use (colza-oil cogeneration plant, geothermal system, energy storage);
- mixed-use buildings and controlled energy consumption offset by power generation (photovoltaic panels on roofs and south-facing façades, cogeneration) achieve a positive-energy outcome.
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Eventually, Bouygues Immobilier won 3 major competitions in 2016 in order to build sustainable urban districts, through its UrbanEra activity in Annemasse, Divonne and Bordeaux.

## **Controlling our greenhouse gas emissions**

### ***Systematic carbon balances***

After carrying out a first carbon balance of its direct greenhouse gas emissions in 2008, Bouygues Immobilier decided in 2010 to extend carbon balances to all its active programs during the year. At the same time, an internal reporting system was introduced that will enable the company to carry out a complete carbon balance for all its activities.

Since 2015, Bouygues Immobilier has been processing a reduction plan related to energy, mobility and building materials.

## ***Energy efficiency and reducing CO2 emissions***

Bouygues Immobilier commitment to high energy performance in all its property development programs has a direct impact on the greenhouse gas emissions of buildings during their operating phase. For instance, in Bordeaux ecodistrict Ginko, Bouygues Immobilier studied several scenarios aiming to decrease greenhouse gas emissions by optimizing public transportation, leading to the extension of the tramway line until Ginko area.

Another example is wood-construction for some projects.

## **Promoting biodiversity into our operations**

In 2014, the International Biodiversity & Property Council (CIBI) launched the BiodiverCity™ label, first international label taking into account biodiversity in construction and renovation property projects. Bouygues Immobilier launched the BiodiverCity™ labellisation scheme in several operations. This label, backed by strong technical specifications, intends to evaluate and promote property operations which develop and maximize biodiversity in built-up areas, for the benefit of city-dwellers.

Just like any comparable energy standard, this label measures and publishes the ecological performance of buildings, according to four major axes:

1. **The commitment:** knowledge and understanding of biodiversity on and around the future construction site. It will help the contracting authority to work methodically and professionally, therefore gathering the appropriate expertise through a biodiversity-oriented management system.
2. **The project:** the project management will seek an ecological architecture maximizing the biological technology and the living species. The overall site plan will incorporate the local ecological continuity, living façades and roofs, as well as an optimized indoor-to-outdoor ratio.
3. **The ecological potential of the land :** an ecologist expert will measure the scientific factors adding ecologic value to the project :
4. **Added services and amenities:** the advantages for the future users and residents of the site, in terms of well-being, beauty and learning about nature.

In December 2014, Bouygues Immobilier became the first real estate company to develop an eco-neighborhood in France (Pernod Créteil project) which is certified Biodivercity™. A second project was certified Biodivercity™ end 2015, Font-Pré, in Toulon Area. Today, all new sustainable urban projects are developed using the Biodivercity™ approach.

## **Corporate social responsibility**

In 2016, the sustainable development approach was structured according to three priorities, covering all Bouygues Immobilier operations:

- **Priority 1: Reducing our environmental footprint with 6 targets by 2020 :**
  - Rehagreen® and Green Office® to each account for 35% of commercial property business
  - 20 nextdoor sites (coworking sites network) under construction or in operation
  - 100% of residential properties with a sustainable mobility solution
  - 8000 housing units with Biodivercity™ certification
  - 100% of Bouygues Immobilier branches participating in CSR initiatives

- **Priority 2: Improving Quality of life at work with 4 targets by 2020**
  - 30% of women in operational management positions
  - 20% of recruits on permanent contracts under 27
  - 8% of recruits on all contracts over 45
  - 20% of digital modules in training courses
- **Priority 3: Contributing to society with 6 targets by 2020**
  - 100% of assessed suppliers on the new Residential platform
  - customers approval rating of more the 7/10 for handover and 8/10 for acquisition
  - 100% of housing units equipped with digital devices for confort
  - 10000 housing units for senior citizens
  - 20% savings made by families supported through a partnership with social operator UnisCité
  - 50 start-ups supported

In addition, Bouygues Immobilier continued its sponsorship commitments in 2016, especially through its corporate foundation created in February 2009.

In 2013, the Bouygues Immobilier corporate foundation, which aims to place architecture and urban planning at the service of environment and community, renewed its sponsorship agreement with the Cité de l'Architecture et du Patrimoine, in Paris, for a further three years and is now the Cité biggest sponsor. The foundation also coordinates the Observatoire de la Ville, a urban planning think tank. The chosen theme for 2015-2016 is Rever(cities) "Recyclable and Resilient cities, which exhibition is currently taking place from October 2016 to December 2016.

The Bouygues Immobilier corporate foundation also supports the Médiaterre project launched in 2010 by Unis-Cité, an association that has pioneered voluntary community service in France. This initiative intends to raise awareness of green behaviour among families from disadvantaged neighbourhoods in order to reduce their energy bills, that proofed to be a success for both the families and the young volunteers : indeed successful results include an average €12 a month reduction in energy bills, a halving of water consumption, a reduction in waste and a change in eating habits.

Bouygues Immobilier staff support the initiative by training and mentoring the young volunteers.

Last but not least Bouygues Immobilier held again a large Community Day as part of the Solid'R operation, during which more than 82 % of staff replaced a normal working day with practical voluntary work for charity.