

3 STATEMENT ON EXTRA-FINANCIAL PERFORMANCE (SEFP)

3.1 THE BOUYGUES GROUP'S CORPORATE SOCIAL RESPONSIBILITY POLICY

Chapter 3 of this Registration document contains the Bouygues group's key CSR indicators and related information. Further information is available by browsing the Group's corporate website at bouygues.com. In addition, CSR reports by the Group's business segments can be downloaded from their respective websites ^a.

3.1.1 Group CSR policy

Delivering high-performance, innovative solutions for meeting sustainable development challenges, and therefore to foster progress for society as a whole, is a major avenue of growth for Bouygues. Corporate social responsibility, or CSR, at the Bouygues group also means limiting and, wherever possible, reducing the negative impacts from its activities on the environment and society by cushioning effects on ecosystems, better explaining its operations and taking the expectations of stakeholders into account.

Correspondingly, CSR is central to strategy at the Group, which is adapting its business models so that customers can be offered solutions that make life better for everyone every day.

The best practices applied by each of the Bouygues group's business segments in the human resources, environmental and social spheres are more tangible proof of this commitment. All initiatives are implemented with the help of reliable indicators that are audited on a regular basis for purposes of compliance and continuous improvement.

Bouygues, in its business activities, takes into account United Nations Sustainable Development Goals (SDGs) and pledges to attain as many of these goals as possible by:

- reducing the negative impacts from its business activities;
- increasing their positive effects, mainly through internally developed solutions as well as best practices.

Paying close attention to the impact of its activities on these issues, the Group focuses on SDGs linked to urban environments, infrastructure, climate change and sustainable economic growth, which dovetail with the objectives of its core businesses. The priority SDGs pinpointed by Bouygues are as follows:



This chapter outlines some of the emblematic initiatives conducted by the Group and its business segments in the fulfilment of SDGs.

In 2016, the Group conducted its second materiality assessment to update the ranking of its sustainable development challenges, the results of which can be consulted by visiting bouygues.com.

In 2018, the Group adapted the presentation of its extra-financial reporting to the requirements set forth in the Statement on extra-financial performance, following the transposition of the EU CSR Directive. These arrangements have superseded the Grenelle 2 legislation, which had been in force, in France, since 2012. The Group's existing CSR-related challenges have been merged with the revised requirements, as shown in the following table:

^a bouygues-construction.com, bouygues-immobilier-corporate.com, colas.com, groupe-tf1.fr, corporate.bouyguestelecom.fr

			Level of materiality ^a	
	Theme	Group CSR issues	Construction	Media Telecoms
Human resources Section 3.2	Health, safety and well-being in the workplace	Ensuring health, safety and well-being in the workplace		
	Employment and equal opportunity	Attracting, recruiting and integrating employees while fighting all forms of discrimination through high-quality labour relations		
	Development of careers and employability	Supporting employees throughout their careers by addressing changes in occupational roles and skill-sets early on		
Environmental impacts Section 3.3	Climate/Energy	Rolling out a comprehensive strategy for reducing greenhouse gas emissions and adapting products and services to climate change, in line with public policies		
	Use of resources	Making the circular economy a driver for transforming building and communications methods		
	Environmental impact of products and services in use	Helping customers and end-users save energy and make sustainable use of resources		
	Environmental externalities	Minimising the environmental impact of business activities, including biodiversity and ecosystem protection		
Social impacts Section 3.4	Social impact of completed projects, products and services	Meeting societal expectations in terms of integration, poverty alleviation and service accessibility and conducting dialogue with Group stakeholders		
	Geographical, social and economic impact	Boosting the local foothold of projects and creating sustainable value and sharing it with stakeholders		
Human rights Paragraph 3.2.1.3	Safeguarding human rights along the value chain	Ensuring that human rights and international conventions are upheld in all decisions and relationships with business partners		
Digital technology Paragraph 3.4.4.3	Data protection	Safeguarding business data and customer/user privacy		
Ethics Sub-section 3.4.4	Business ethics	Managing business relations transparently and responsibly		

(a) On a scale of one to three, ranging from moderate to very high materiality.

The above summary is based on several analyses carried out within the Group. Because it is active in businesses as diverse as construction, media and telecoms, the Group faces a wide array of extra-financial risks and opportunities.

Specifically, this work drew on the Group materiality matrix (created in 2016), the research contributing to the 2017 Integrated Report and risk maps (see Chapter 4 on Risk factors), together with the recurrent requests from rating agencies and industry analysts.

We applied the materiality concept, which will be fine-tuned in 2019 through the creation of several materiality matrices specific to the construction and telecoms activities. Themes contained in Article 225 (the former legislation) such as food waste will not be addressed in this chapter^a.

Consequently, analysis of the CSR risks and opportunities will be progressively expanded to encompass the entire value chain (core activities as well as the issues associated with products and services and business relations) and comprehensively cover environmental, social and HR-related matters (including human rights and anti-corruption measures)^b.

The policies and associated indicators are described hereafter.

3.1.2 CSR oversight

Within the Bouygues group, human resources, environmental and social matters are handled separately by each business segment because they are closest to their own operations.

Monitoring and overall coordination of initiatives is provided at parent-company level (Bouygues SA) by the Ethics, CSR and Patronage Committee, and by the Group Sustainable Development-Quality Safety Environment (QSE) department.

- Set up in 2001, the Ethics, CSR and Patronage Committee meets several times annually to review these three themes on behalf of the Board of Directors. The committee is currently chaired by Anne-Marie Idrac. In 2018, it gave a favourable opinion on the launch or continuation of various patronage initiatives of an educational, medical or humanitarian nature. Feedback from the extra-financial statutory audit was also presented, together with findings from the monitoring of Group-wide CSR initiatives. (See sections 5.3.4.1 and 5.3.7.4.)
- The Sustainable Development Committee, chaired by Olivier Bouygues (Deputy CEO of the Bouygues group), has the Sustainable Development directors of the Group's five business segments as its members. It coordinates joint intra-Group policies and investigates ways in which underlying sustainable development trends can reshape business models and support innovation.
- Comprising representatives from the five business segments, the Extra-Financial and CSR Reporting Committee assists in the preparation of the Bouygues Registration Document by identifying major Group-wide issues relating to CSR, creating appropriate extra-financial indicators and collecting the relevant information. It also oversees and ensures the reliability of the data-collection process.
- Finally, at each Annual General Meeting, Martin Bouygues presents the most significant sustainable development actions and indicators of the previous year to Group shareholders.

The Group Sustainable Development-Quality Safety Environment (QSE) department oversees general policy, in conjunction with support departments, and disseminates information about best practices. The above-mentioned Group-wide committees, as well as the seminars and conferences organised by this department, provide opportunities for developing practices able to meet sustainable development challenges.

Olivier Bouygues, Deputy CEO of Bouygues, is responsible for Group-wide sustainable development initiatives. The Group Sustainable Development-Quality Safety Environment (QSE) department works in close conjunction with the Innovation department. One of their key joint achievements – since 2016 – has been the innovation drive focusing on sustainable urban environments and the circular economy. The parent company's Innovation unit has made sustainable innovation a strategic priority.

More broadly, all Group-wide thematic committees systematically consider sustainable development issues in the context of their own business segments. This includes sharing industry best practices and taking into consideration the economic challenges linked to sustainable development. It can therefore be said that CSR is factored in at all governance levels within the Group.

Within the Bouygues group's business segments, coordination of CSR themes is handled jointly by the Human Resources and Sustainable Development/Environment departments of the business segments themselves. These departments report to:

- the Innovation and Sustainable Development department (Bouygues Construction);
- the Communication, Marketing and Sustainable Development department (Bouygues Immobilier);
- Senior management (Colas and TF1);
- and the Innovation department (Bouygues Telecom).

Each business segment furthermore coordinates a network of liaison officers that, for example, sit on company-wide committees. Every two years, Colas holds awareness-raising seminars for its network of Environment officers in France and abroad. After Montreal in 2018, the next seminar will take place in 2020, in one of the countries where Colas operates. Additionally, meetings in the field are used to share experiences and implement and monitor action plans.

The Sustainable Development department of Bouygues Immobilier holds a roadshow through which it aims to raise employee awareness about sustainable development goals and the occupational resources available for integrating themes such as the circular economy, nature in urban environments, low-carbon construction and residents' health into property development projects.

In the field, HR and QSE teams, as well as the whole network of operational liaison officers from the Sustainable Development teams of each business segment, spearhead the Group's CSR policies, with a focus on keeping risks under control. Each Group business segment implements its own strategy and monitors its CSR policies.

In 2018, Bouygues Construction published its CSR roadmap entitled *Responsible and committed*, which is integrated into the group's strategy and in which it refocused its goals around 12 priorities (health & safety; exemplarity of operations; ethics; energy and carbon; biodiversity; the circular

^a Given the nature of the Bouygues group's activities, we believe the themes of food waste, the fight against food insecurity and of responsible, fair and equitable nutrition are not major CSR risks, and therefore do not warrant further development in this registration document.

^b Due to the late publication of laws (23 and 30 October 2018), we were not able to factor in the theme of tax evasion into our analysis of CSR risks and to deal with it within our Statement on Extra-Financial Performance. Nonetheless, the Group is concerned about its fiscal footprint. The Group's tax policy is available on its web site at this address: <https://www.bouygues.com/wp-content/uploads/2018/04/bouygues-group-tax-policy.pdf>

economy; responsible sourcing; fundamental human rights; diversity and quality of life at work; employability and local foothold; social responsibility; openness to society). Most of these CSR themes are divided into quantitative targets and their related performance indicators.

Bouygues Telecom consulted internal and external stakeholders to assess the most significant challenges facing the company in social, HR-related and environmental matters – with the aim of updating its CSR roadmap and related targets.

3.1.3 CSR reporting methodology

CSR reporting is one of the preferred ways in which the Bouygues group monitors and coordinates its CSR policies.

Just as roll-out of these policies and initiatives is itself delegated to the individual business segments, so that they can deal with the distinctive issues they face, the Group's CSR reporting policy is built on decentralisation and accountability when being implemented by each business segment.

To ensure the CSR reporting procedure and the qualitative and quantitative information published by the Group is both uniform and reliable, a reporting protocol covering the human resources, environmental and social components was compiled in 2013. It is updated annually in consultation with each business segment, and it incorporates the findings of the work carried out by the committees. The protocol specifies the methodology to be used when collecting data for the indicators of the three components, namely definition, scope, units, computation formula and contributors. It is the handbook used by all participants in the Group reporting procedure. The specific procedures applied for each business segment are provided in the annexes of this handbook. It is available in full on bouygues.com.

Coverage rates of HR reporting indicators in 2018

To take into account the various challenges faced by the business segments as well as local constraints, human resources reporting currently has nine different types of scope:

- **Global (1)**, which covers 100% of the workforce. In 2018, 13.8% of indicators had this scope;
- **Global excluding Bouygues Telecom Services, aufeminin, Gammed! and Doctissimo (2)**, which covers 99.3% of the workforce. In 2018, 6.9% of indicators had this scope;
- **Global excluding Alpiq Intec, Kraftanlagen (3)**, which covers 94.8% of the workforce. In 2018, 3.4% of indicators had this scope;
- **Global excluding occasional workers, Alpiq Intec, Kraftanlagen, aufeminin, Gammed! and Doctissimo (4)**, which covers 94.4% of the workforce. In 2018, 17.2% of indicators had this scope;
- **France excluding Gammed! (5)** which covers 53% of the workforce. In 2018, 3.4% of indicators had this scope^a;
- **France excluding aufeminin, Gammed! and Doctissimo (6)**, which covers 52.7% of the workforce. In 2018, 34.5% of indicators had this scope;
- **France excluding Newen, Neweb, Play Two and Bonzaï Digital (7)**, which covers 52.6% of the workforce. In 2018, 3.4% of indicators had this scope;
- **Non-France companies with more than 300 employees excluding Miller McAsphalt group, Alpiq Intec and Kraftanlagen (8)**, which comprise 47 firms representing 28.9% of the Group headcount and 60.5% of the international workforce. In 2018, 6.9% of indicators had this scope;
- **France companies and non-France companies with more than 300 employees excluding Alpiq Intec, Kraftanlagen, Miller McAsphalt group, aufeminin, Gammed! and Doctissimo (9)**, which cover 81.6% of the workforce. In 2018, 10.3% of indicators had this scope.

The number of reporting scopes is higher than in 2017 due to the acquisition during 2018 of several companies in France and abroad. 2018 was a year of transition during which information systems were introduced that will reduce the number of scopes upon which our indicators are calculated for successive years.

Coverage rates of environmental and social reporting indicators in 2018

Two types of indicator comprise the Group's environmental and social reporting:

- **indicators for which information is consolidated at Group level**, namely indicators that can apply to all the Group's business segments, for which all, or the majority of, business segments provide their own quantitative data;
- indicators specific to a business segment or to a line of business therein.

Indicator coverage rate for Bouygues Construction

Companies that are fully consolidated and those in which the equity interest is 50% or more are consolidated on a 100% basis in the extra-financial reporting. In 2018, the coverage rate of Bouygues Construction's reporting is 98%. The remaining 2% is due to the following exemptions:

- Companies in which the equity interest is below 50% and companies accounted for by the equity method (except for the projects of Bouygues Travaux Publics where it has formed a cooperation structure such as a construction project joint venture whose sales are above €100 million and in which Bouygues Travaux Publics' stake is higher than 30% - in this case Bouygues Travaux Publics is consolidated in the extra-financial reporting according to the amount of its equity interest);
- Companies acquired in the year under review;
- Companies subject to specific rules defined for certain entities
 - At Bouygues Bâtiment International, structures where the headcount is less than 10 and/or without a production activity are not included;
 - Bouygues Energies & Services: structures whose sales are less than €10 million are not included in the extra-financial reporting, unless the sum of the sales figures of the excluded structures exceeds 5% of the total sales figure for Bouygues Energies & Services;

^a The France scope includes French overseas territories (French Polynesia, Saint Barthélemy, Saint Martin, Saint-Pierre-et-Miquelon, and Wallis and Futuna), mainland France and French overseas departments (Guadeloupe, French Guiana, Martinique, Mayotte and Reunion Island). Clipperton Island, the French Southern and Antarctic Lands and New Caledonia are therefore excluded.

- Bouygues Travaux Publics: projects that last less than six months are excluded from the extra-financial reporting. Also, construction project joint ventures, whose sales are below €100 million and in which Bouygues Travaux Publics is not the lead firm or is the lead firm but with an equity stake of less than 50%, are also excluded.
- The Concessions division is not included (to be consistent with financial reporting).

Indicator coverage rate for Colas

Concerning the social, environmental and hazardous chemical areas, Colas indicators use a comprehensive global scope that includes companies and joint ventures indiscriminately, even in cases where Colas only holds a minority stake (except for TPCO, listed on the Bangkok stock exchange). This scope also includes materials production firms with sales below €2 million even though they are not included in the financial consolidation. The only exceptions are companies acquired during the year under review such as Alpiq (Switzerland) and Miller McAsphalt (Canada). These companies will be included in the next round of extra-financial reporting in 2019.

Indicator coverage rate for Bouygues Immobilier

Environmental and social indicators cover the full scope of Bouygues Immobilier in France and abroad.

In 2018, at Bouygues Immobilier, the reporting coverage rate as a proportion of sales is 94.8% when overseas subsidiaries (Belgium, Morocco and Poland) are excluded. This rate drops to 89% when the French subsidiaries (Loticis, Ossabois, Nextdoor, Patrignani, SLC and Urbis) are also excluded.

3.1.4 Main components of the SEFP

Bouygues SA is obliged to publish a Statement on Extra-Financial Performance starting from the 2018 financial year. This current report outlines and ratifies the Group CSR policy in keeping with the new legislation, which has four pillars (indicated by a  pictogram outside of this chapter):

- business model (see section 1.1 of Chapter 1).
- summary table of the key CSR issues for the Group's diversified business activities (see sub-section 3.1.1).
- presentation of policies (see sections 3.2 to 3.4 of this chapter).
- presentation of performance indicators (see sections 3.2 to 3.4).

3.2 HUMAN RESOURCES INFORMATION

3.2.1 People, the Group's most important resource

"At Bouygues, people are our most important resource. Since their motivation and competence are key to our success and progress, the quality of human interaction is fundamental..." (Extract from the Group's Human Resources Charter).

In 2018, Bouygues was awarded Top Employer 2018 certification, covering both the parent company, Bouygues SA, and the five business segments, Bouygues Construction, Bouygues Immobilier, Colas, TF1 and Bouygues Telecom. It is the first French group to obtain this certification for all its businesses nationwide (see section 1.4 of this document also).

3.2.1.1 A dynamic organisation in France and abroad

The Bouygues group operates in nearly 90 countries. At 31 December 2018, it employed 129,275 people, spanning a wide range of business activities and expertise.

Headcount by region at 31 December 2018

Scope ^a : Global	Bouygues SA ^b and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
France	425	21,614	1,837	33,702	3,232	7,686	68,496	67,004
Europe (excl. France)	23	14,816	118	9,084	283	340	24,664	17,205
Africa and Middle East	106	5,954	14	6,353	17		12,444	13,042
North America	2	977		7,683	42	3	8,707	5,885
Central and South America	89	532		410	4		1,035	956
Asia-Pacific	63	13,088		765	13		13,929	11,438
International	283	35,367	132	24,295	359	343	60,779	48,526
France + International	708	56,981	1,969	57,997	3,591	8,029	129,275	115,530

(a) Coverage: 100% of the Group's headcount (Scope 1)

(b) O/w Holding company: 175

Indicators available at bouygues.com: Number of temporary and occasional workers as full-time equivalents (France), Headcount by type of contract (permanent and temporary – France), Headcount by job category (France)

Higher headcount at Bouygues Construction can be explained chiefly by two factors:

- Outside France: the acquisition, in conjunction with Colas Rail, of Alpiq Intec and Kraftanlagen. These groups specialise in hard and soft FM for the construction industry as well as the energy, industrial and transport infrastructure sectors. These two groups have a combined headcount of 6,750 and comprise approximately 20 legal entities operating in five countries: Germany, Austria, Italy, Romania and Switzerland.

Bouygues Construction also bought AW Edwards (260 employees), firming up its position in the Australian construction market.

- In France: the hiring wave beginning in 2017 continued into 2018 to provide personnel for the Grand Paris projects and for Axione (the telecoms infrastructure business of Bouygues Energies & Services), whose headcount increased by 50% year-on-year (from 1,100 to 1,650).

As 31 December 2018, total headcount at Colas was up by 5% relative to 31 December 2017.

In France, headcount was relatively stable. Internationally, it rose by a sharp 13%. The largest increase was seen in North America (+57%), resulting chiefly from the acquisition of Miller McAsphalt group in Canada.

The international headcount of the TF1 group increased last year after it acquired auféminin.

Bouygues Telecom opened a call centre in Portugal.

Workforce by gender

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Women	21.8%	19.4%	51.4%	10.8%	55.7%	41.3%	18.4%	18.4%
Men	78.2%	80.6%	48.6%	89.2%	44.3%	58.7%	81.6%	81.6%

(a) Coverage: 100% of the Group's headcount (Scope 1)

The proportion of women working at Bouygues was stable. The acquisition of several construction companies cancelled out the progress made in increasing the proportion of women, on a like-for-like basis.

Workforce by age range

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Total Group
Under 25	3.8%	7.4%	8.0%	6.4%	7.9%	10.0%	7.1%	6.7%
25 - 34	26.4%	29.4%	32.6%	21.5%	30.3%	33.5%	26.0%	25.8%
35 - 44	31.5%	28.2%	30.5%	26.5%	27.0%	34.5%	27.8%	28.4%
45 - 54	24.9%	23.2%	21.2%	28.6%	25.7%	19.1%	25.6%	26.1%
55 and over	13.4%	11.8%	7.7%	17.0%	9.1%	2.9%	13.5%	13.0%

(a) Coverage: 94.8% of the Group's headcount (Scope 3)

Indicators available at bouygues.com: Average age and seniority (France)

The increase in the proportion of employees under 35 reflects a proactive policy to recruit younger talent.

In France, each of the Group's business segments has a proactive policy of keeping older workers in employment or supporting them into retirement.

3.2.1.2 Proactive recruitment policy to support the growth and transformation of the business activities

Hiring new employees is a key issue for the Group, enabling it to support business growth. Most of the Group's business segments have set up special talent acquisition units. These units aim to support line managers and HR managers in achieving their ambitious recruitment goals. To do this, they make use of new digital resources to detect experienced professionals. In addition, the Bouygues group's business segments proactively recruit young graduates, creating gateways between the corporate world and leading academic institutions, both in France and abroad, and using technology for the benefit of candidates.

Attracting and recruiting future talent

One of the main factors behind the Group's drawing power as an employer is that it operates a sponsorship scheme to help induct future graduates. A premium higher-education partnership, signed between Bouygues SA and CentraleSupélec, has forged a special bond with students at this institution, offering them career opportunities in the Group's various activities. Within this framework, Bouygues Telecom sponsors the IT and Telecoms courses at CentraleSupélec. A strong relationship also exists with ESTP ^a, specifically through the sponsorship of two student intakes by Colas (2018) and Bouygues Construction (2019), respectively, and in the form of a partnership with Bouygues Immobilier.

The aim of this sponsorship is to forge ties with students right from their first year by promoting the Group's brand and the opportunities on offer at its companies. This, in turn, aims to prepare a strong pool of interns and graduates for the future. The three-year sponsorship scheme offers regular events and an individual coaching programme supporting students in their chosen career path.

The policy for hosting students operated by Group companies in conjunction with universities and other higher-education institutions gives students and graduates access to considerable internship experience as well as to hiring opportunities.

This policy is yielding results. In 2018, the five business segments of the Bouygues group were awarded the Happy Trainees label by ChooseMyCompany, as a sign that they rank among the favourite companies for interns and work/study students.

Around the globe, recruiting tomorrow's talents means knowing how to identify the best profiles. To enhance their appeal, some **Bouygues Construction** subsidiaries such as the one in Singapore signed a partnership agreement with local universities specialising in construction and sponsor local vocational training in the construction field.

In France, the policy of extending the network to include more partner institutions continued last year with signature of a partnership agreement with ENPC ^b. Of the new intake of the International Programme, 28 high-potential students were selected for assignments in various countries. To ensure optimal career advancement, each of these **Bouygues Construction** employees is coached and mentored.

Bouygues Immobilier last year again ran its work/study recruitment forum simultaneously at its main locations in France. Around this time, the 2018 Graduate Programme was launched, which is designed to produce a pool of home-grown talent. It lasts 18 months and admission is highly selective.

Attracting and retaining talent remains a key issue for **Colas**. The group needs to become even more attractive and diversify its recruitment sources in order to benefit from a greater variety of backgrounds in a highly competitive climate. Several recruitment drives took place, especially in the Paris

^a École spéciale des travaux publics, du bâtiment et de l'industrie

^b École Nationale des Ponts et Chaussées.

region, in conjunction with the start-up of Grand Paris Express rapid transport link projects, to provide both operational and support staff. Recruitment policy at Colas is based on maintaining constant ties with engineering schools, university technology institutes and other two-year higher education programmes in civil engineering and civil works, as well as institutions like Centre d'Egletons, a training school for civil-works occupations. Having these links helps build strong relationships with students, resulting in offers for internships, work/study positions and ultimately full-time jobs.

In addition, Colas conducts initiatives to promote its employer brand.

In 2018, it sponsored the "Alain Dupont" student intakes at EATP^a, EFIA TP^b and the CFCTP^c in Egletons, on the occasion of the graduation of 461 students who followed these different training programmes. The November "Schools forum", held at Colas' new Paris head office, and the virtual forum that followed were both a resounding success.

In addition, Colas subsidiaries regular host worksite visits and get involved at schools in their local areas. A variety of recruitment avenues are also implemented internationally (social media, local staffing agencies, websites, employee referrals and partnerships with schools).

At the TF1 group, an internship or work/study contract is often the first step towards an employment contract. In 2018, for example, 21.6% of hiring (both fixed-term and permanent contracts) was from amongst work/study students or interns.

Last year, TF1 was also a partner in the Digital and Media Chair at Essec^d business school and partnered with the Explora programme at Edhec^e business school. The aim of these two specific partnerships is to strengthen ties with students through supervised projects and research in the context of their course studies

In addition, the TF1 Campus scheme was started in 2018, offered at key educational establishments for the group's professions, where members of staff regularly lecture.

Bouygues Telecom continued to host a high number of interns and work/study students across all its job types. It maintains strong relations with key academic establishments, including around 20 engineering, business and management schools. In this context, Bouygues Telecom held four events in 2018:

- a "Summer Partner Day", bringing together representatives of the targeted academic establishments with the goal of fostering dialogue between the company's senior management and influential people in the world of education;
- a "Talent Day", devoted to recruiting recent graduates;
- two "Job Fair" sessions for recruiting interns and work/study students.

Lastly, to give recruiting a more professional touch, four and half days of training are offered to help HR operational staff sharpen their hiring skills. This module began in late 2017 and was continued in 2018.

Strengthening higher-education partnerships outside France

Internationally, **Bouygues Construction's** entities work hard to build and maintain university connections. Its subsidiary in Singapore in 2018 took part in several forums and networking sessions targeting students from prestigious universities such as the National University of Singapore and the Nanyang Technological University. The subsidiary also participated in Singapore's annual industry and construction forum, proactively promoting the opportunities available at the Group. In Europe, Bouygues Construction's Spanish subsidiary, VSL Spain, started working more closely with universities on the Iberian Peninsula.

As in France, **Colas'** international subsidiaries continue to forge ties with academic institutions, primarily through partnerships within the geographic areas that they cover. In Africa, for example, partnerships have been established with various schools such as Institut Med VI in Morocco, Ucac-Icam^f in Cameroon and USTM^g in Gabon. Colas Maroc attended the "Forum Horizon", "Mena Careers" and "Afric Talents" employment forums.

In Europe, most subsidiaries take part in student fairs in their respective local markets and draw on partnerships with schools and universities. Colas UK has reinforced its apprenticeship policy, setting itself the target of hiring 5% of its employees on apprenticeship contracts by 2020. The UK subsidiary launched a specific campaign targeting women, sponsoring events through the Women in Engineering network, including site visits and meetings with management.

Innovating for the benefit of candidates

The Group's business segments are developing various action plans to underpin their recruitment policies and attract talent in the future. This involves reaching out via digital channels (such as social media and job boards) and prospecting on the ground (through job fairs and university forums), while, as far as possible, ensuring they have a common presence in all these areas. In May 2018, the Group devoted a day to hosting and recruiting at Viva Technology (an event specialising in new technologies) in Paris.

All of the Group's job offers can be accessed from bouygues.com, which helps publicise the opportunities on offer from each business segment. At any given time, more than 1,000 job openings are available, both in France and abroad.

In March, **Bouygues Construction** launched the recruitment campaign entitled "And why not you?". Initially targeting female candidates, the two-month campaign generated a high rate of interaction on social media, with 8,000 visits registered to the ad hoc platform. Of this number, 1,300 resulted in contact requests, which were answered by HR in less than 48 hours. Because this campaign differed markedly from usual recruitment practices, Bouygues Construction was able to attract and then recruit distinctive profiles as well as creating a pool of diverse profiles.

^a École d'application aux métiers des travaux publics.

^b École de formation initiale par alternance aux métiers des travaux publics.

^c Centre de formation continue des travaux publics.

^d École supérieure des sciences économiques et commerciales.

^e École des hautes études commerciales.

^f Higher education institution whose mission is to train, within and for the benefit of Africa, high-level technicians and engineers.

^g Masuku Scientific and Technical University.

In early November, the new employer brand campaign, BYG Interview, was launched, with the aim of giving candidates the experience of an exceptional job interview. Clips of these new-generation interviews were aired on social media throughout November.

Depending on requirements, local initiatives also trial new forms of job interviews. Last year, for example, the Hong Kong subsidiary held group interviews during which candidates had to summon up all their creative – and persuasive – powers. The candidates were asked to build a bridge from a selection of materials and present it to a multi-disciplinary panel of judges.

In addition to Hub Carrière Colas^a and the Bouygues group's careers webpage, Colas last year continued its digital communications policy, initiating an in-depth review to improve the recruitment experience for job applicants.

In 2018, Colas continued three major employee advocacy programmes (employee ambassadors) internationally to encourage its employees who are active online to raise the profile of its employer brand and share its job offers on business social media:

- The "Textkernel" app can be used to submit applications in less than one minute from a desktop PC, mobile phone or tablet. The applicant conversion rate – which measures the number of applicants submitting a CV after viewing a job offer – increased more than three-fold in a sample recruitment campaign between 2017 and 2018.
- Colas also initiated a partnership with Yaggo, a job-application platform that manages contact with candidates. This process ensures a 100% response rate to applications received while also establishing a personalised relationship, both when responding to applications and when keeping track of applicants with potential.
- Lastly, to strengthen its employer brand, Colas has launched a major innovative advertising campaign, My Job Story, focusing on employee buy-in. This campaign is based on video stories showcasing all types of professions in France and abroad. It has been developed by and for employees, who are invited to share worksite anecdotes, filmed locally using smartphones and then adapted to the campaign format by a communications agency. These stories are posted on social media as they are created over a six-month period from September 2018 to March 2019.

Outside France, Colas has made itself more visible and stepped up its communications by using social media more actively. In January 2018, Colas UK had its Gold-level Investors in People accreditation extended.

In 2018, the TF1 group held its first Talent Dating event for recruiting interns and work/study students, which was a huge success. More than 4,000 applications were received.

Bouygues Telecom strengthened its employer brand by communicating far more actively with potential candidates using dedicated social media. Short films were shot to highlight employees, their skills, experiences and life model as well as Bouygues Telecom's commitment to responsible and inclusive corporate governance.

^a hubcarrierecolas.com.

Recruitment and departures

External recruitment by job category

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
France	155	3,528	366	4,173	612	2,110	10,944	10,043
Managerial	90	1,423	194	671	328	526	3,232	3,148
Clerical, technical & supervisory	65	1,320	172	1,227	284	1,584	4,652	3,807
Site workers		785		2,275			3,060	3,088
International		10,819	22	18,137	50		29,028	20,598
Staff ^b		3,639	22	3,082	50		6,793	4,923
Workers ^c		7,180		15,055			22,235	15,675
France + International	155	14,347	388	22,310	662	2,110	39,972	30,641

(a) Coverage: 99.3% of the Group's headcount (Scope 2)

(b) Supervisory, managerial and technical employees

(c) Site workers

Indicator available at bouygues.com: Internships during the year (France)

In France, hiring remained intense in the construction businesses last year because of the large number of projects in progress.

At Bouygues Construction, recruitment rose sharply in international markets, primarily after two large-scale projects were signed in Turkmenistan. This accounted for over 2,000 of the hires in 2018. In France, recruitment was also significant (+11%), mostly concerning site workers (+44%). This reflected an upturn in business activity across France, notably due to the Grand Paris projects.

At Colas, increased recruitment was mainly seen in international markets, and specifically among site workers. This hiring trend rose sharply between 2017 and 2018 (+40%). In North America, Africa and Asia, hiring levels vary widely, mainly due to seasonal factors.

Number of departures

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Number of departures (all contract types)	70	11,679	402	19,313	667	1,807	33,938	32,312

(a) Coverage: 99.3% of the Group's headcount (Scope 2)

Indicators available at bouygues.com: Reason for departure (France), Staff turnover (France)

Scope ^a : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Number of dismissals (permanent employees)	5	585	24	1,508	117	264	2,503	2,513

(a) Coverage: 52.7% of the Group's headcount (Scope 6)

3.2.1.3 Compliance with ILO conventions

The Bouygues group promotes the fundamental conventions of the ILO (International Labour Organisation) as well as human rights in the countries where it operates. Signed in 2006, the UN Global Compact recognises freedom of association and the right to collective bargaining while seeking to eliminate discrimination and forced and child labour. Each year, the Group reaffirms its commitment to these objectives.

The Group's Code of Ethics and Human Resources Charter, widely circulated internally and available at bouygues.com, remind all employees of its expectations in this regard. In sometimes complex circumstances, operational managers have a duty to prevent any infringement of human rights in areas relating to their activity. The whistleblowing facility set up under the Group's Code of Ethics can be used to report serious violations of human rights and fundamental freedoms. Of the international subsidiaries that have more than 300 employees, 66% have an employee consultation body.

Day after day, **Bouygues Construction** deploys the expertise of its employees in 80 countries. Consequently, the company has a duty to guarantee its employees living conditions that meet clearly defined standards. The toolkit for setting up worksite living quarters, of which all entities are now aware, is audited by the Group. Another more general toolkit, containing a guide to living-quarter standards, an assessment sheet, a scorecard and the list of standards applicable to subcontractors, has been made available. It is subject to internal audits by the Health and Safety department.

In France, as a continuation of the jobs and skills planning agreement (2016) and the agreement on quality of life at work (2017), a benchmark agreement aiming to improve diversity and gender equality was signed by the Colas group. Signed in June 2018, this agreement is based on two main aspects – diversity and gender equality in the workplace – and defines the guiding principles shared by all Colas entities.

The importance of non-discrimination is regularly reaffirmed during presentations given as part of the Colas University training programmes, delivered to managers at various stages of their careers, and training of recruiters.

Outside France, Colas subsidiaries (especially those located in English-speaking countries) are conducting measures to combat discrimination. In the UK, Ireland, Switzerland and Denmark, specific statements of intent and management charters on this issue have been drawn up to supplement the group-wide charters. Ireland has included a special chapter on non-discrimination in its new HR manual, "Dignity and respect for all".

Colas UK, which takes a proactive approach, is involved in studies examining diversity in recruitment. Diversity is promoted through initiatives organised with associations of former prisoners, ex-military personnel, disabled people and outplacement agencies.

In Switzerland, a system for reporting discrimination anonymously has been set up.

In Belgium, the retention of employees aged over 45 in employment is covered by specific action plans for each agency.

US subsidiaries are bound by federal laws prohibiting job discrimination in hiring, employee treatment and remuneration. They make their commitments clear and send vacancy announcements to placement agencies that specialise in the employment of minorities, or to specialist newspapers. The Colas North America Corporate University offers ethics courses. US-based employees who feel they are victims of harassment may call a toll-free number for help.

Freedom of association and the right to collective bargaining

In countries where ILO conventions governing trade-union rights and freedoms have not been ratified, all subsidiaries aim to implement arrangements that give employees a voice. This is because the Group strongly believes that high-grade dialogue between labour and management is the cornerstone of harmonious relations in the workplace.

At **Bouygues Construction**, the degree of advancement of human resources policies is gauged using the Human Resources Development Index (HRDI), which is based on 21 criteria applicable to every country. Regular examination of this indicator for each country provides a detailed overview of progress in HR policy, corporate culture and values. It is also used to track year-over-year achievements for each subsidiary, signalling where remedial action needs to be taken.

Since **Colas** mainly operates in OECD countries, which account for virtually all its sales, it has few operations in countries where there are substantial risks in terms of freedom of association, forced or compulsory labour, child labour or discrimination.

Colas works with a limited number of subcontractors.

Existence of employee representative bodies in the international activities^a

Scope ^b: International,
outside France (companies
with more than
300 employees)

	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Existence of employee representative bodies in the international activities		55%		80%			67%	63%

(a) Bouygues SA and other, Bouygues Immobilier, TF1 and Bouygues Telecom are not covered by this indicator on account of its scope. Only companies employing more than 300 people operating outside France (excluding Alpiq Intec and Kraftanlagen) are concerned.

(b) Coverage: 28.9% of the Group's headcount (Scope 8)

Elimination of forced or compulsory labour and the effective abolition of child labour

Respect for fundamental values and principles of human rights is enshrined in the Bouygues group's Code of Ethics and Human Resources Charter. The Supplier CSR Charter forbids all use of forced or compulsory labour.

Further to strict compliance with ILO recommendations on child labour, companies within the Bouygues group work to ensure that rules are also complied with by their business partners through the Supplier CSR Charter (see section 3.4.3 "Partners, suppliers and subcontractors").

3.2.2 Making life better for employees every day

3.2.2.1 Adaptable and scalable worktime organisation

Worktime organisation depends on the local business context and on the type of legal arrangements in force, which may differ from country to country.

Decisions take into account the need to satisfy customers and maintain a healthy work/life balance for employees.

Adapting and organising worktime

Several initiatives are conducted within **Bouygues Construction** (under the internal Harmonies label) in the following areas: managerial behaviour, parenting, work organisation and effectiveness, workplace/worksites conditions and self-management.

Optimal management of worktime is a key factor for ensuring a high quality of life at work. For example, employees are increasingly aware of the need to switch off if they are working irregular hours. Helping to raise awareness in this area are pop-up and other alerts, deployed under the terms of the quality-of-life-at-work agreement, of which all Bouygues Construction's entities are signatories. Facilitating time management for employees also requires offering services that make everyday living easier. Two such actions were the introduction of e-concierge services throughout France and the installation of a remote medical diagnostics booth at Bouygues Construction's headquarters. This gives employees access to e-consultations directly from their place of work.

In **Colas'** global scope, the organisation of worktime takes into account the seasonal nature of the transport infrastructure construction and maintenance business.

In France

The preferred organisation of worktime is either annualisation or a fixed number of days worked. Annualisation and the worktime modulation plan – which apply to workers and office employees, technicians and supervisors in the Operations business line – mean that work can be organised according to seasonality, while rewarding overtime. In the railway and road signalling activities operated by Colas, where night shifts are required for safety reasons, specific arrangements exist for organising work.

The method of a fixed number of days worked, which applies to managers, is being extended to clerical, technical and supervisory staff.

The resource used to manage working time and time off for employees working on a fixed-day basis keeps track of days worked, rest days and leave days on a monthly basis. It also facilitates ongoing dialogue between managers and employees about their workloads and work/life balance.

Outside France

The seasonal nature of business also has an impact on the organisation of worktime. In North America, for example, weather conditions dictate that projects must primarily take place between April and November. Seasonal employees therefore make up a large proportion of the workforce. Employees are rehired from one year to the next.

In Canada, working times during periods of activity are governed by provincial regulations and, for unionised workers, by collective bargaining agreements. A Fatigue Management System Policy is in place at most Canadian companies for tracking hours worked and rest periods.

^a An individual support programme aimed at helping employees leaving the company find a new job.

In Europe, worktime is calculated on an annualised basis in most countries, in line with the local legislation. Flexibility encourages work at the times of the year best suited to construction. At the end of the year or when new projects come in, the entities publish a schedule of activity for the upcoming year and submit it to employee representatives. In some countries such as the Czech Republic, Austria, Denmark and Iceland, subsidiaries bring in seasonal employees at the busiest times of the year.

In Africa, worktime is geared to the legislation in force in each country. An overtime rate is paid for hours worked outside normal working times. On certain projects, employees are granted time-off at the end of the month.

Working patterns are adapted during Ramadan depending on the country.

Within **TF1**, several work-organisation measures were already in place last year.

As a signatory of the Parenting Charter, the group offers its employees special arrangements for combining work and family life. For example:

- From the fourth month of pregnancy, employees can work part-time or full-time from home to avoid the fatigue from commuting.
- A set number of days are paid for parents to take care of sick children (6 days for one child, 9 days for two children, 12 days for three or more children) or disabled children (5 days of paid absence per child per year).
- The cost of childcare for children under the age of three is co-financed at a rate of €8 per day of care, up to a maximum of €1,830 annually.

Since 2000, **Bouygues Telecom** has made a time-management resource available to all levels of staff.

When required medically, Bouygues Telecom is able to adapt employee worktime, especially for those employees coping with disabilities. Along similar lines, the inter-generational contract makes provision for adapted hours and worktime for older workers employed in customer relations.

Adopting new forms of work organisation

In France, the Group has introduced working from home arrangements, which can increase employee satisfaction while yielding gains for the company by improving productivity and optimising the use of office space. The Group's business segments:

- have put into place flexible work methods and open coworking spaces;
- have defined a strategy for preventing cognitive overload (e.g. stress, burn-out) as well as harassment;
- have signed agreements enhancing the quality of life at work;
- conduct anonymous perception surveys amongst employees;
- address issues of workload and work/life balance up to twice per year, including during annual appraisals;
- have put in place early-warning systems (for filing complaints with management);
- have policies for maintaining a healthy work/life balance, while Bouygues Construction, TF1 and Bouygues Telecom have also signed the Parenting Charter. Bouygues Telecom also has a "well-being and stress observatory".

The "Place to BY" initiative operated by **Bouygues Construction**, whereby it provides coworking spaces to all employees (included but not limited to worksites), has proven hugely popular in France. Last year also marked the international deployment of the employee well-being Harmonies initiative. This policy is being applied in Australia, Morocco, the UK and Switzerland, in full respect of each country's characteristics.

Bouygues Immobilier has rethought workspaces for its clients in the commercial property market and for its own employees, aligning them with today's digital culture and changes in management practices. For example, its Galeo headquarters and several other locations have been transformed into shared workspaces, with a focus on functionality, collaborative working and well-being in the workplace.

In 2018, the Human Resources department set up its own HR Lab, which trials new methods and forms of organisation, in order to support Bouygues Immobilier's transformation. Its main mission is to sharpen Bouygues Immobilier's ability to initiate and support change, for example by running workshops on collective thinking and the effectiveness of meetings.

An agreement concerning all **Colas** subsidiaries in mainland France relating to quality of life at work was signed on 1 December 2017 and implemented in 2018.

This agreement has introduced new working arrangements for employees:

- by the development of several forms of working from home;
- by facilitating occasional remote working – a more flexible form of working from home, particularly suited to operational managers.

The agreement also offers services for employees in order to offer a better work/life balance, namely:

- assistance with their children's homework, with free access to tutoring (from infant to secondary school) and online teachers;
- childcare, along with a housekeeping service platform.

Further measures planned by the agreement will be implemented in 2019, such as help for employees who are caregivers and a legal and administrative support platform.

In May 2017, **TF1** started reorganising all of its office space in line with new working practices. This project, called Nextdoor after the joint venture set up by Bouygues Immobilier, is due to run until the end of 2020. In total, 33,000 m² of floor area is to be reorganised.

At **Bouygues Telecom**, the themes of workload and work/life balance are discussed twice, including during employee appraisals. An early-warning and complaints procedure has also been introduced. A new appraisal system was launched in 2018, through which Bouygues Telecom gives employees the opportunity to express their opinion on quality of life at work, specifically in terms of how they perceive and feel about their workload. Where required, concerns are flagged with HR.

Number of hours worked

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 ^b Group total	2017 Group total
Number of hours worked	704,479	97,310,717	2,871,104	111,508,974	4,671,754	11,816,085	228,883,113	222,847,775

(a) Coverage: 94.4% of the Group's headcount (Scope 4)

(b) The calculation of this indicator does not take into account occasional workers at TF1 in 2018.

Worktime schedule

Scope ^a : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Hourly	36.0%	52.1%	33.1%	80.1%	35.9%	53.6%	64.8%	65.4%
Annual (incl. senior executives)	64.0%	47.9%	66.9%	19.9%	64.1%	46.4%	35.2%	34.6%

(a) Coverage: 52.7% of the Group's headcount (Scope 6)

The indicator is specific to France and thus excludes international data

Indicator available at bouygues.com: Average number of part-time workers (France)

Absenteeism

Number of days off work as a result of a workplace accident ^a

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Number of days off work as a result of a workplace accident	2	28,557	181	50,780	447	3,365	83,332	78,610

(a) Coverage: 94.4% of the Group's headcount (Scope 4)

Absenteeism rate ^a

Scope ^b : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Absenteeism ^a	0.4%	3.5%	2.0%	5.0%	2.5%	4.8%	4.3%	4.5%

(a) Permanent staff

(b) Coverage: 52.7% of the Group's headcount (Scope 6)

Absenteeism is defined as the number of calendar days absent as a result of workplace accidents, commuting accidents, occupational illnesses and other illnesses versus [average number of permanent staff x 365]

After three consecutive years of contraction, the number of days off work increased at Bouygues Construction. This trend was due to new ventures or increased business involving highly technical operations situated in regions with a poor culture of safety. In such regions, a certain amount of time is needed for the Group's policies and procedures to take root and be assimilated fully.

3.2.2.2 A resolute health and safety policy

The Bouygues group aims to reduce the frequency and severity of occupational accidents to which it is highly exposed through its operations. In addition to the measures taken to ensure the safety of employees, the subsidiaries also operate policies to improve their health.

Furthermore, all business segments aim to enhance road safety and forestall psychosocial risks (through surveys, early warnings and management training in best practices).

Boosting safety in the workplace

It is on worksites where the need for accident prevention is crucial. The Group's construction businesses are therefore working extremely hard in the area of health and safety (safety equipment, training, detection and monitoring of near-accidents). In France, health, safety and working-conditions policies are implemented in consultation with employee representative bodies. Implementation of a safety management system, part of which may have OHSAS 18001 certification, is the organisational bedrock at Bouygues' operating units in the construction sector.

Group entities take active steps to improve the safety of all persons who work on their sites. As personal physical integrity is at stake, Bouygues group entities require their suppliers to have identical work safety requirements when operating on Bouygues sites. In that regard, it is each supplier's responsibility to bring any identified anomaly to the attention of the manager of the Bouygues group site where it is working (extract from the Group's CSR Charter for Suppliers and Subcontractors, which is appended to procurement contracts).

To implement this policy in the field, senior managers at subsidiaries have for many years drawn on a global network of health & safety officers as well as a broad range of safety resources, including training on safety, eco-driving techniques, first aid training and 15-minute "starter" sessions on safety basics. Other resources include awareness-raising initiatives, accident analysis, best-practice sharing, cross-subsidiary challenges and half-yearly rankings.

To promote further cooperation and sharing between the various entities of the **Bouygues Construction** group and ensure the overall consistency of internal health & safety rules and initiatives, reporting and operating procedures were reorganised in the third quarter of 2018. Health & safety is now overseen by a permanent committee of health & safety managers that meets regularly to determine policy and coordinate initiatives.

In this new governance framework, Bouygues Construction will provide all its entities with a universal, multi-business, proactive resource for managing health & safety by project, worksite, activity or service, i.e. as close as possible to the decision chain on the ground. This resource will harvest and store data, then extract, analyse and use them to make available, in the management cockpit, coded or adjusted indicators and information serving to assist proactive and responsive management practices. It is due to go live in the second half of 2019.

On the ground, Bouygues Construction continues to implement its 12 priorities, which were defined in 2017 and announced at its World Health & Safety Day on 13 June of that year. These 12 priorities are also promoted daily through the "We Love Life" campaign. At the same time, Bouygues Construction has ramped up enforcement of the wearing of Personal Protective Equipment (PPE), both in France and internationally. Action has also been taken to streamline the equipment options available.

Training courses instil the basic principles and types of behaviour required to ensure optimal safety. The courses have three modules: team leaders and supervisory worksite staff/works management/site management. Training is intensive, with two to four sessions held every month. In 2018, over 760 employees received this safety training.

Since 2018, the "Top Site" label has been rolled out to all operations that have a strong health & safety focus.

Bouygues Construction furthermore continued introducing advanced investigation techniques, including for investigating the causes of accidents, near-accidents or events qualified as "HiPo" (High Potential). It also pursued a policy of eliminating risks for which technical responses are currently not sufficiently effective.

One example is that Bouygues Construction has prohibited the use of 125mm grinders on all its worksites until suppliers can offer a device that meets all its safety requirements, both active and passive. The company's specialist departments are currently working with suppliers to find a solution. Similarly, the policy of removing ladders, stepladders and step stools in almost all of its operations is still under way. Where this is not applied (maintained-occupancy sites and certain clearly identified activities), specific risk assessments are conducted and appropriate protective measures taken. Another example is that, in 2018, a prototype of a more efficient and ergonomic form panel (B18) entered into production. On-site tests began in May last year.

In addition, pre-work warm-up sessions are held more frequently, based on a specific programme developed by specialists in cooperation with occupational therapists from Bouygues Construction's Ergonomics department.

Concerning chemicals, Bouygues Construction continues to use only those whose INRS^a risk scores are either low or moderate. Lastly, procedures are being implemented to replace form oil or paint containing solvents with safer alternatives.

With its business partners, Bouygues Bâtiment France-Europe has started a partner support initiative as a way of enhancing the safety culture among subcontractors on all its worksites, in both the structural works and fit-out phases.

In 2018, Bouygues Energies & Services deployed a whole range of resources for welcoming and inducting new employees, business partners and temporary staff. This includes local induction procedures, enhanced safety training tools for temporary staff (agency personnel, apprentices, etc.) and the appointment of mentors or sponsors who impart the company's safety culture to new employees. Briefings are also conducted in some entities, in which a different employee gives a safety talk at the beginning of each workday.

As part of its corporate strategy "Beyond - On the Road to 2023" Bouygues Bâtiment International is focusing prevention on controlling major risks, with the objective of achieving zero high-potential accidents by 2023. Last year, it also introduced the #Safety act app for tablets and smartphones, available in the three main languages used on its worksites (French, English and Spanish). This provides comprehensive guidelines on health & safety at the company.

Following every serious accident, Bouygues Bâtiment International produces a safety-alert video that explains the circumstances surrounding the accident, the causes and what can be learnt from it. All these videos are available with English, French and Spanish subtitles, as well as in high or low definition, to facilitate access on the company's worksites.

^a The French National Research and Safety Institute for the Prevention of Occupational Accidents and Diseases.

Training is a large part of safety at **Bouygues Immobilier**. E-learning modules are provided to all employees joining the company, showing the main risks and procedures to follow. A specific safety module is included in the induction process. This supplements the classroom-based training provided to operational managers at offices or on developments, which includes first-aid training, and worksite safety.

To raise awareness among employees, Bouygues Immobilier held a Safety Day on 7 June 2018 at all its locations in France and abroad.

Safety is of paramount importance to **Colas**, which has set itself a zero-accident target. Health & safety policy is built around four priorities:

- respect for rules;
- training and informing;
- a safety-first approach to project and process design;
- follow-up of action plans.

In 2018, the Colas group's annual Safety Week addressed addiction prevention (drugs, alcohol, psychoactive medications and rules concerning the use of mobile phones), which has been added to its existing health & safety policy.

Various other initiatives have been implemented:

- "Safety Culture" days in mainland France for all newcomers to Colas (2,500 to 3,000 employees annually);
- supervisory inspections at Colas Centre-Ouest, which are also being rolled out at Colas Rail and Colas Sud-Ouest;
- the "Goal Zero" process rolled out in Canada with Caterpillar Safety Services;
- the safety culture programme launched at SPAC together with ICSI^a;
- virtual-reality training on crushing-related dangers as part of the health & safety days for newly hired employees;
- a crushing-related dangers project with Volvo Construction Equipment, which alerts not only pedestrians if they enter a prohibited zone close to machinery, but also the operator. This system uses artificial intelligence to recognise human presence.

As soon as they join **Bouygues Telecom**, new employees, work/study students and interns are prompted to learn the safety rules of the company. This is dispensed via online training modules and concerns all professions. Bouygues Telecom has also ensured that Health & Safety and Working Conditions committees exist at all its sites, including those not obliged to have them under the new legislation on employee representative bodies.

^a French industrial safety culture institute.

Workplace accidents

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Frequency rate ^b of workplace accidents among staff	2.8	3.6	2.4	6.7	3.0	5.7	5.2	5.0
Severity rate ^c of workplace accidents among staff		0.29	0.06	0.46	0.1	0.28	0.36	0.36
Number of fatal accidents		4		6		1	11	8

(a) Coverage: 94.4% of the Group's headcount (Scope 4).

(b) Number of accidents involving time off work x 1,000,000/number of hours worked. In France, these are accidents leading to more than one day off work, reported to and recognised by healthcare authorities. The auditor indicates that it has obtained reasonable assurance for the 2018 indicator.

(c) Number of days off work as a result of a workplace accident x 1,000/number of hours worked. The auditor indicates that it has obtained reasonable assurance for the 2018 indicator.

Indicators representing the construction businesses deteriorated last year.

Bouygues Construction has identified avenues for progress, concerning which it is taking comprehensive action – targeting research, methods and equipment as well as works and training – in order to reduce the accident rate of high-risk activities. In 2019, these actions will primarily focus on lifting/handling activities and working at heights.

The safety culture initiative launched in mainland France in late 2018 will enable Colas to take another step forward. The initiative is to be rolled out across all France-based subsidiaries (excluding SPAC) between now and 2022.

Nevertheless, regrettably 11 fatal accidents were reported in 2018. Action plans have been put in place.

Two fatal accidents occurred in the period under review at Bouygues Construction's Moroccan subsidiary. The Health & Safety department has implemented remedial measures, consisting of a teaching film and changes to the equipment at the root of the accident.

Among Colas' remedial measures, it is worth mentioning the instruction on consignment/deconsignment protocols provided in all countries, concerning primarily production plants, and the safety meeting on degraded conditions, which has been included in training for newcomers.

Protecting health in the workplace



For several years, an ergonomics initiative within Bouygues Construction has worked to reduce the level of arduous work in production-related professions.

Equipment prototypes continued to be developed in R&D, such as the zero-G arm and the ExoVest. A working group on load handling has been set up in conjunction with e-lab, the Bouygues group's research, development and innovation unit.

Ensuring that employees have adopted fundamental principles before starting work must become a prerequisite.

Bouygues Construction continued initiatives to protect against noise and dust by:

- modifying equipment in order to reduce vibration and noise levels;
- providing a wider choice of personal protective equipment (e.g. made-to-measure ear plugs);
- raising awareness among site workers about the importance of wearing personal protective equipment at all times to ensure comprehensive protection.

Streamlining by Bouygues Construction's Equipment division made it possible to select products with better quality and safety standards.

Bouygues Construction has strengthened its corporate policy for combating addiction, which is translated into the internal regulations of each operating unit based on a common template. This policy is:

- spread over digital corporate channels such as the intranet and corporate social media;
- repeated at every major group or subsidiary-level communication event e.g. conferences and seminars;
- promoted by management, through leading by example, reminders during meetings and effective on-site implementation.

To help the implementation process, internal regulations have been supplemented with four testing/control procedures.

In late 2018, the 2019 Health Plan was launched as part of the Harmonies initiative. It has four pillars:

- ease of use and working environment;
- work/life balance;
- physical and mental health monitoring;
- work organisation.

On 9 April 2018, Bouygues Construction signed an agreement with employee representatives in which it pledged to implement the plan in every entity worldwide.

On-site awareness-raising workshops are held in France in which employees are shown how to maintain a good state of health. Ergonomics training, for both employees putting methods into practice and health & safety officers, is now provided at most international sites, in several countries, focusing on diagnostics, action proposals and team awareness-raising.

Launched in 2014, the Satin employee satisfaction survey on quality of life at work was run again in 2018 for employees at **Colas** companies in mainland France. A questionnaire was sent out to all employees. Based on their responses, each subsidiary has developed an action plan to improve workplace well-being and reduce psychosocial risks.

In the area of health, specific initiatives were again pursued to limit:

- musculoskeletal disorders: training given to site workers on preventing risks related to physical activity, and the provision of “ExoPush” exoskeletons, developed jointly by engineers, site workers and Colas experts. This aims to reduce exertion for personnel spreading asphalt while improving working conditions simply because workers are more upright and place less strain on the heart. More than 40 units have been rolled out in Australia, Belgium, central Europe, Denmark, France, and Switzerland;
- noise exposure (mandatory hearing protection): noise has been chosen as the main theme for the 2019 Safety Week;
- exposure to ultraviolet rays (frequent reminders to wear protective clothing and introduction of new long-sleeved T-shirts).

Colas has also implemented mechanisms and actions to reduce employee exposure to bitumen fumes, silica dust and chlorinated solvents. For example, Colas has worked for several years on reducing exposure to bitumen fumes, pursuing two main objectives as it implements its strategy around the world:

- reducing bitumen application temperatures, since every 12°C reduction in temperature reduces fume emissions by around 50%. In addition, the current R&D programme to expand the production of warm mixes is being supplemented by communications campaigns aimed at convincing customers to adopt warm mixes in place of traditional hot mixes. In 2016, the INRS^a determined that the use of warm mixes results in a statistical reduction in exposure of 25%;
- upgrading the fleet of finishers (machines that lay asphalt mix) to equip them with fume extraction systems.

As part of the FNTP/OPPBTB^b campaign, Colas also measures crystalline dust emissions for the processes that produce them.

In 2018, Safety Week (25-29 June) focused on addictions. Supporting the campaign was the film *Sous influence* – which won two awards at the Enghien-les-Bains safety film festival – and video quizzes presented by managers together with summary sheets for all employees as well as posters.

At **TF1**, postures and movements training modules are dispensed annually to employees having to lift heavy loads or work in awkward positions. Since September 2018, two weekly osteopathic consultations have been offered at the Boulogne-Billancourt site to help prevent musculoskeletal disorders among employees.

Bouygues Telecom offers a health & safety programme at its headquarters. This includes several initiatives promoting well-being and a sound work/life balance, such as a relaxation area (“Cosy Room”), a sports room, counselling, and the well-being and stress observatory, introduced in 1999 in partnership with Préventis. Workshops to raise awareness about sleep patterns and train in relaxation techniques are also offered.

^a French National Research and Safety Institute for the Prevention of Occupational Accidents and Diseases.

^b French civil works federation/professional body for the prevention of occupational hazards in the construction and civil works sectors.

Number of employees with a recognised occupational illness^a

Scope: France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Number of employees with a recognised occupational illness ^a		94		122		1	217	185

(a) Coverage: 52.7% of the Group's headcount (Scope 6)

The indicator is specific to France and thus excludes international data

The Group endeavours to provide its employees with social protection, both in France and in other countries.

In France, all employees benefit from personal risk coverage (long-term incapacity and death) and healthcare insurance. Entitlements are far superior than minima under the law (especially state-approved complementary healthcare policies) and contractual arrangements. In addition to employee healthcare coverage, the Group also contributes towards covering family members' healthcare costs.

The Group Personal-Risks Scheme covers the employees of Bouygues Construction, Bouygues Immobilier, Bouygues Telecom and Bouygues SA. Since 2018, extra services have been offered, designed to facilitate the following:

- healthier living (coaching to prevent backache, stop smoking, deal with stress, etc.);
- healthcare access for employees and their families through a free 24/7 remote medical consultation service reachable from France and abroad.

New for 2018, deuxiemeavis.fr is an online service allowing patients with a serious, rare or debilitating illness to obtain a second opinion from leading medical consultants in their respective areas of expertise.

The Group has also created complementary health insurance for former employees on a made-to-measure basis. Using these contracts, employees leaving the company can benefit from continued coverage of healthcare costs. This means that they are covered by the same services (direct payment by insurer of medical expenses, remote consultation, network of opticians, etc.) without having to fill out additional membership paperwork. Neither is there a non-reimbursement period, and administration fees are identical to those charged to employees (excluding direct debit fees). Two levels of coverage are offered: the exact same coverage as provided to employees, and less generous coverage for those in good health or of limited financial means.

Lastly, for employees whose employment contract has been suspended, health insurance coverage can now be maintained in all cases. To date, coverage continued only for employees on parental leave, training leave or on sabbatical, but from now on those on compassionate leave and temporary caregiver's leave will also be covered too.

In June 2018, the Bouygues group started reviewing its social insurance coverage for all its long-standing entities (excluding mainland France). The findings are expected for the first quarter of 2019. The review's focal points are death, invalidity (occupational or otherwise), healthcare and maternity coverage and retirement protection. It encompasses 62 countries and 6 French overseas departments, covering over 200 legal entities and some 67,000 employees. The aim is to have a wide-angle view of social insurance coverage in comparison with local market practices, bringing them into line where necessary.

It should be noted however that 100% of employees working in non-French entities with over 300 employees already have social protection.

3.2.2.3 Labour relations based on permanent and constructive dialogue

The two priorities of the Bouygues group with respect to labour relations are ensuring high-quality exchanges with labour representatives and coordinating dialogue with employees.

The Group believes that trade unions and other employee representative bodies are essential for progressive labour relations, which in turn contribute to its companies' success. Having open communication channels with these bodies lays the groundwork for constructive relations. High-quality labour relations is a particularly strong point for Bouygues' business segments in their various sectors of activity. At Bouygues Telecom, for example, the new employee representative bodies (Economic and Social Committees) were introduced by unanimous agreement with the company's registered trade unions.

Resources available to trade unions, in addition to those allocated by each business segment, were determined at Group level by a 2005 agreement. Employee representative bodies in the different subsidiaries are supplemented by the Group Council in France (30 representatives from various works councils and ESC^a around the Group) and the European Works Council (24 representatives from 12 countries). As privileged forums for meetings between union representatives and Group executives, they provide an opportunity for forthright discussions about the Group's business and financial prospects and about developments relating to jobs, HR policy, health and safety.

With such vast representation of its employees (3,676 elected representatives and 359 bodies), the Group sees high turnouts at workplace elections (82.3% in 2018) – far higher than in France on a nationwide level (42.76% in 2017 according to France's National Council on Labour Relations).

The Group offers a unique resource allowing employee representatives to access data in the e-library of economic and HR-related information related to their scope.

^a Economic and Social Committee.

Throughout the Group, 239 elections were held in 2018 to set up the first ESCs^a in France amid high-quality labour relations, in which the contribution of employee representatives was solicited, especially with regard to the HSWC^a committee.

Ensuring high-quality dialogue between labour and management

Because each of its businesses is so different, collective bargaining within the Group has naturally evolved by business segment so that agreements stay as close as possible to each one's requirements and limitations.

In 2018, 269 agreements were signed or renewed, underlining the dynamic labour relations within the Group.

Internationally, labour relations are guided by the rules applicable in the specific countries.

Lastly, each of the Group's business segments has been required to sign other agreements based on their own circumstances.

Turnout in elections for employee representatives (1st round, principals)

Scope ^a : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Turnout in the most recent employee representative elections	82%	87%	69%	82%	73%	77%	82%	81%

(a) Coverage: 53% of the Group's headcount (Scope 5)

The indicator is specific to France and thus excludes international data

Indicators available on bouygues.com: Percentage of employees covered by a satisfaction survey (France), Percentage of employees receiving a formal annual appraisal (France)

Turnout in elections for employee representatives increased slightly in 2018, signalling the importance and confidence ascribed by employees to the proper functioning and renewal of employee representative bodies. This indicator is confirmation of the quality of workplace relations within the Group.

^a Health & Safety and Working Conditions.

Collective agreements negotiated

Scope ^a : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Labour relations/ Right to vote/ Right to organise	2	23	1	99	6	4	135	N/A
Remuneration/Employee benefits/Collective bargaining arrangements	2	25	2	48	2	7	86	N/A
Worktime and work organisation	3	3		10	1	4	21	N/A
Quality of life at work/Diversity in business segments		2		11	1	2	16	N/A
Job and career management		5	1			1	7	N/A
Other		1			3		4	N/A
Total Number of collective agreements negotiated including mandatory annual negotiations	7	59	4	168	13	18	269	185

(a) Coverage: 52.7% of the Group's headcount (Scope 6)

The indicator is specific to France and thus excludes international data

N/A: not applicable

In 2018, 50% of agreements concerned labour relations, the right to vote and the right to organise, 32% remuneration and employee benefits, 8% worktime and work organisation, 6% quality of life at work and diversity, and 3% job management.

Coordinating dialogue with employees

The collaborative network – Yammer Bouygues – launched in 2015 and made available to all Bouygues group employees with an email address, gives access to an open and transparent discussion forum that can be used to stay up to date on Group news and share business-segment best practices through theme-based online communities.

This resource contains a section called Group Newsroom, which is used by the Group's senior management to communicate news to employees.

The five business segments also have their own collaborative networks. Because these networks all use Microsoft's Yammer software solution, adoption of this new work resource was easier for all concerned. Within the Group and at all its worldwide operations, widely-distributed interactive communication channels are on offer to facilitate exchange (e.g. corporate social media and chat applications). Throughout the year, various events are held within each business segment, offering opportunities to meet and dialogue more often.

In 2018, Bouygues Immobilier, Colas and TF1 each conducted employee perception surveys. Bouygues Construction conducted a satisfaction survey within the new Health & Safety department (504 employees). The participation rate was 75% and the findings were positive.

The highlight of 2018 at **Bouygues Construction** was the signature of the first-ever group agreement on quality of life at work. Covering all of Bouygues Construction, this agreement crystallises the commitment of senior management and employee representatives to high workplace standards, both in France and abroad. Another hallmark of this commitment is the Harmonies policy, which sets forth measures covering the right to "switch off", the production and auditing of the Human Resources development Index, modernisation of managerial behaviour, e-concierge services and more besides. Each company is allowed to expand this drive by sharing locally-developed best practices.

In 2018, **Bouygues Immobilier's** Digital Transformation and Human Resources department set up the Employee Experience department, which houses shared services for employees, such as training, talent management, the HR Lab, working environment, payroll and admin, and HR data and solutions. The aim is to offer employees the same experience within the company that they are asked to offer to customers.

Colas has continued to develop its internal digital communications strategy using the Yammer network. Whether participating in communities relating to a specific theme (business lines or projects) or region (life at the Paris and Magny-les-Hameaux sites), employees are able to enhance their expertise in networks and collaborative working. This trend is set to continue with the implementation of knowledge management resources. In the area of digital technology, a portal for employees and managers combines new HR services such as an employee file management and HR self-service apps (which can be used to send vacation requests etc.). The aim is stronger ties with employees and to improve interaction. The resource was first trialled in late 2018 for widespread introduction across France in 2019.

Within the **TF1** group, digital channels enable daily dialogue with staff. In 2018, 80% of employees consulted the intranet at least once per week. The intranet is considered by employees as the prime source of information about group life. It contains a link to the Workplace by Facebook social media page, ByLink (the Bouygues group intranet) and the in-house video channel, which aggregates employee contributions from Twitter and TF1's Yammer network. Dialogue on the ground is guaranteed through the following:

- face-to-face sessions, including monthly masterclasses;
- weekly meet-ups, organised by the Fifty-Fifty diversity network, the group's Intrapreneur Business Lab and the young people's 3.0 group;
- the TF1 Initiatives committee;
- technological demonstrations in specific locations, at TF1 locations or elsewhere.

Every year, the "Social responsibility Week" organised by TF1 Initiatives (the unit which brings TF1's CSR initiatives under one single umbrella.) offers employees the chance to take part in socially responsible workshops and information exchanges, and organises hackathons for the benefit of charities in order to promote the concept of living together in harmony.

3.2.2.4 Remuneration policy rewards individual and combined efforts

The Group's remuneration policy has several objectives. It aims to give employees a share of profits and works to ensure fair pay that takes into account professionalism, potential and performance (both individual and collective). Underpinning this policy are a comprehensive system of remuneration, adaptations to professional and regional contexts, regular surveys and a commitment to ensuring that decisions are systematically reported.

Comprehensive remuneration

A comprehensive system of remuneration applies to all employees worldwide, comprising a basic salary and variable bonus payments (determined by country and occupation). These arrangements may be supplemented by other employee benefits such as occupational pensions as well as health and life insurance.

This policy is supplemented in France by mechanisms giving employees a share in the profits of the Group's various entities. In total, 99% of France-based employees are covered by compulsory or voluntary profit-sharing agreements. Additionally, employee-savings incentives (e.g. company savings and collective retirement savings schemes) are regularly supplemented by capital increases reserved for employees, such as the Bouygues Con fiance n°10 plan in 2018.

Internationally, company savings arrangements similar to the French system are available in some countries. In the UK, Bouygues Construction offers ShareBY and Colas UK offers the "Colas UK Share Incentive Plan". Similar arrangements exist in Switzerland and Hong Kong.

The Group also strives to reward professional conduct and mindset among its best site workers through the Minorange Guild^a. **Bouygues Construction** and **Colas** have 16 such site worker guilds, active in the Group's main locations. **Bouygues Telecom** recognises competence and customer service acumen through the Customer Advisors Club. Similarly, the expertise of its engineers is recognised by co-option to the Bouygues Telecom "Experts Club".

Bouygues Construction's collective remuneration policy was renewed in 2018 with the signing of new voluntary profit-sharing agreements – a sign that the company wants remuneration to reflect worksite performance and the improved results in terms of safety.

At Bouygues Construction, the Global HR platform – comprising remuneration, annual appraisals and talent management – now covers 80% of entities in France and abroad. The platform helps manage and harmonise these three key processes. It also provides a scorecard for tracking strategic HR indicators for the whole of Bouygues Construction's scope of consolidation. Roll-out began in 2016 and is due to continue until 2019.

In its pay reviews, **Bouygues Immobilier** takes an individual approach to remuneration that factors in experience and career record as well as competence, performance and prospects. An eye is also kept on pay levels in the industry.

Tailoring remuneration policies to profiles and geographical areas

All of the Group's business segments strive to uphold gender equality, especially in pay reviews.

So that it can respond to different economic contexts, both in France and in international markets, **Bouygues Construction** runs an annual pay review, which it supplements with information from another special review. Different trends come to the fore as the result of disparities between local business conditions. However, all these elements can be slotted into an overall policy.

Adjustments are made locally to take into account tight labour markets, business performance and inflation. Bouygues Construction is also looking into the use of indicators covering, for example, gender diversity, cross-disciplinarity, and geographical and job mobility.

Bouygues Immobilier offers the possibility for employees who have the right to a company car to receive a travel allowance instead. Employees with this entitlement may now choose between a company car or a monthly amount to defray expenses, covering commuting, business travel in the region as well as any other type of private travel. For the past four years, older employees have had the possibility of reducing their working hours while maintaining full-time pension contributions.

The remuneration policy applied by **Colas** around the world is based on the annual guidelines issued by senior management that takes into account the economic environment, inflation, the jobs market and wage negotiations with trade unions and employee representatives. This Colas policy keeps pay aligned with responsibilities and includes measures for young people, talent management and promotions. It rewards achievement and recognises employees' skills.

^a The Minorange Guild, founded in 1963 by Francis Bouygues for the construction trades, and now deployed in the Group's other business segments, contributes to highlighting exemplary behaviour by site workers in all the construction businesses.

The variable remuneration policy applied by Colas is based on the overall performance of all its entities in France and around the world. The budget available for remuneration depends on three criteria: the results of the Colas group and of the relevant subsidiary, as well as individual performance. For employees, it is based solely on individual performance, whereas for managers it also reflects the performance of the subsidiary or sector of activity.

Every manager is provided with a pay review tool, plus relevant performance indicators. Managers are thus given all the information they need to review their team's pay levels and can submit their proposals with a single click to the subsidiary's and then the Colas group's "validators" for approval.

In 2018, **Bouygues Telecom** emphasised the importance of clear communication in its remuneration policy and other benefits. This included running workshops to raise awareness among managers of pay-related issues.

Conducting regular pay research

To keep employees' remuneration in line with the market, the five business segments rely on surveys that highlight pay trends in the various professions and the levels of remuneration for each specific function.

In France, reference is also made to a database containing the pay levels of managerial employees throughout the Group's business segments.

In the interests of keeping pay policy in line with market standards, **Bouygues Immobilier** takes part in the annual nationwide remuneration survey organised by Aon for the entire property-development industry. Once again, the survey showed that overall remuneration at Bouygues Immobilier is situated at the market median, which is used as an industry benchmark.

In the US, **Colas** uses local pay surveys, given the regional differences between its units in western states (California and Nevada), central states (Arkansas, Colorado, South Dakota, Illinois, Missouri, Nebraska and Wyoming) and eastern states (Alabama, North Carolina, South Carolina, Florida, Georgia, Kentucky, New York, Ohio, Pennsylvania, Tennessee and Virginia). As a result, employees are paid at a level in line with the local market. Likewise, Colas Canada uses local surveys to set pay. For unionised employees, pay is set through the collective bargaining arrangements applicable to their businesses.

In some northern European countries, market analysis has highlighted pay gaps in operations and engineering activities, resulting in remedial measures at the subsidiaries concerned. In central Europe, the large number of infrastructure projects has created tension in the job market, leading to wage increases at certain units. All countries in Europe rely on a benchmark of sector pay levels.

In Africa, the subsidiaries in Morocco, Ivory Coast and Gabon used market surveys and best practices to bring remuneration more into line with staff performance, leading to clearer targets, better management of employees, better retention and increased scope to attract new talent.

TF1 uses research on remuneration such as the survey of executive pay among SBF 120 media/industry companies carried out by Willis Towers Watson, as well as the SNPTV^a survey. Using this information as reference, the TF1 group has implemented systems for managing pay.

Similarly, Bouygues Telecom took part in three pay surveys in 2018: the high-tech industry and market surveys (by Willis Towers Watson and Humapp) and a survey of IT employees (Lee Hecht Harrison – Altedia). These surveys use provided various levels of analysis based on funnel-type logic.

Ensuring systematic feedback

The Bouygues group appraisal process contains a section dedicated to systematic detailed feedback sessions carried out by the manager during interviews with each employee that they are responsible for.

Employees of Bouygues Immobilier, TF1 and Bouygues Telecom also have access to a personalised document summarising total benefits, i.e. salary and other advantages.

At Bouygues Construction, the Global HR system offers a firm foundation for this dialogue, providing managers with full information about employee remuneration and performance appraisals.

Bouygues Immobilier works hard to help its managers see the issue of remuneration from a wide perspective and the importance of individual feedback.

Salary trends in France

Average annual gross salary in France by job category and trend^a

Scope ^b : France €	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier ^c	Colas	TF1 ^d	Bouygues Telecom ^e
Managerial	82,899	59,222	70,903	62,145	72,304	62,064
Change vs 2017 ^f	1.7%	=	1.6%	1.0%	2.2%	=
Clerical, technical & supervisory	39,406	32,893	32,762	37,339	40,844	27,445
Change vs 2017 ^f	-1.3%	1.1%	0.6%	1.7%	3.1%	0.4%
Site workers		28,225		27,084		

^a The French television advertising association.

Change vs 2017^f 1.4% 2.0%

- (a) Permanent staff
- (b) Coverage: 52.7% of the Group's headcount (Scope 6)
- (c) Excluding sales staff
- (d) Including journalists
- (e) Including customer relations advisers
- (f) Change calculated on the basis of average wages in the previous year

Indicators available at bouygues.com: Total gross contribution by employer to the company savings scheme (France), Total gross contribution by employer to the collective retirement savings scheme (France), Total amount of profit-sharing (paid in 2018 in respect of 2017) and Percentage of employees promoted (France).

Note that the most substantial wage increase overall was granted to site workers at Bouygues Construction and Colas.

Benefits granted to employees

€ million	2018	2017 restated	2016
Net profit	1,453	1,201	784
Cost of employee benefits excluding dividends	203	209	175
Profit before costs associated with employee benefits	1,656	1,410	959
Cost of employee benefits including dividends	(280)	(281)	(248)
Dividends payable to non-employee shareholders for the year	(633)	(601)	(535)
Appropriation to reserves	743	528	176

Profit paid out as Group employee benefits and related costs takes into account profit-sharing, employer contributions to company savings and collective retirement savings schemes, expenses under IFRS on Bouygues Confiance employee share ownership schemes and stock options, as well as dividends paid on employee-owned shares.

The net residual balance of 2018 profits after employee benefits and distribution to non-employee shareholders represents an amount of €743 million, which was allocated to reserves.

3.2.3 Developing people's potential

The Bouygues group endeavours, for its employees, to create a setting in which they can develop their employability and enhance job skills through support and training programmes.

Systematic interviews with managers (mandatory in all business segments), the provision of training to all Group employees, and internal job mobility departments in each entity are some of the tangible initiatives being carried out in France and in the international operations, in keeping with the strategic targets of the business segments.

3.2.3.1 Inducting employees and supporting them throughout their careers

Inducting new employees with the help of digital tools

Work/study contracts, end-of-study internships, mentoring, and Group and segment-specific induction days are all ways used by the Bouygues group to induct new recruits successfully. Graduate programmes run by Bouygues Construction, Bouygues Immobilier and Colas, together with digital induction processes (including serious games^a and MOOC^b also help in this respect. The training of young people via work/study contracts helps form a large recruitment pool for the Group's business segments, which host students of all levels, from vocational high-school to postgraduate level, in all lines of work.

^a An app that combines the serious aspects (Serious) of instruction, learning, communication or information, with the fun aspects of video games (Game) – based on the definition of researcher Julian Alvarez.

^b Massive Open Online Courses.



“In’Pulse”, a fully digital onboarding process, is used at all of **Bouygues Construction’s** entities as the first stage of induction for clerical,

technical and supervisory staff. It is a virtual visit that gives new recruits a flavour of the culture, history and major achievements of Bouygues Construction as well as a clear understanding of its values, strategic priorities and organisation. One year after its release, In’Pulse has been completed by 6,700 new employees. In 2019, a new module will be developed to provide newcomers with extra support. An events programme will also be added for this community. In addition to In’Pulse, the Finance department of Bouygues Construction in September 2018 launched “Objective Finance”, a digital induction course for finance professionals.

All induction resources were updated in 2018. Bouygues Energies & Services finished updating and producing a digital version of its induction pack. This now includes a virtual starter course in which HR staff and managers play a major role.

For several years, Bouygues Immobilier has been organising a BI Campus day, during which it reaffirms the fundamental policies underpinning its HR policy among its interns and apprentices. This day also enables young people to build networks within Bouygues Immobilier.

During their first few months in the company, newcomers are prompted to follow three online modules on the digital training platform. This is followed by two days of face-to-face training during which time they meet members of the Strategy committee. In 2018, this training included a half-day devoted to the “100% clients” module, which is used to train all categories of staff in Bouygues Immobilier’s business lines and sales strategy.

In 2018, **Bouygues Immobilier** continued the work of its “Coming” committee, a body whose role is to review the outlook and decisions of Bouygues Immobilier’s Strategy committee and thus provide input from its younger staff members.

The induction of young junior managers at **Colas** is carried out following an induction process in the field. For example, a site engineer can train with teams on construction sites before gradually being given responsibilities. Induction takes place in various locations in France, during which the new employee has three to four internships in different subsidiaries, and can even cover a whole region for the same subsidiary. In 2018, 40 positions for this nationwide induction scheme were filled. New managers then follow Colas University training courses, generally during their second year with Colas. The aim is to develop self-reliance, responsibility, teamwork and knowledge of the Colas group. The budding engineers quickly take on management responsibilities (between three and ten years depending on business line).

In 2018, Colas also launched a “World Tour” graduate scheme to attract new talent, targeting more specifically elite engineering schools in France such as École des Mines ParisTech, École des Ponts ParisTech and École Centrale Paris. The modular programme, which can be tailored to suit all backgrounds, consists of three learning venues visited in the space of 18 months, including two outside France, plus personalised coaching from a management team member and an HR liaison officer throughout the programme.

These actions foster pride in working for Colas, which in 2018 was ranked:

- the 7th best company for internships, by ChooseMyCompany;
- the 8th best company to work for, by ChooseMyCompany;
- the 4th best civil-works employer, by Capital, a French magazine.

Efforts to induct young people are also reflected by hires under the VIE^a programme in technical and support roles. In 2018, 21 young people were inducted by Colas through this process, including three in North America.

Since 2016, **TF1** has made a fully digital induction process, “Carrières Positives”, available on its HR Information System (HRIS). With this process, data and documentation concerning new recruits are completely paperless. It also provides an overview of the company’s human resources set-up even before the first day of work.

In addition, each new permanent employee is assigned a buddy who helps the new person settle in by sharing knowledge about the group and its teams.

Bouygues Telecom has introduced some new arrangements:

- It has launched in-house alumni networks for employees, which hold events such as breakfast and after-work get-togethers. It has also launched My Job Glasses, a digital hub that brings students and educational liaison officers into contact with each other.
- A community of interns and apprentices has been set up. Events include special induction days, after-work get-togethers and supervised participation in key company events.
- In 2018, Bouygues Telecom held its second onboarding day for interns and work/study students. This fun event gives talented newcomers the chance to meet and dialogue with previous interns and work/study students as well as front-line employees. Upon completion of their internships or work/study arrangements, Bouygues Telecom holds an off-boarding event to help them with the next stage of their careers, either within or outside the company. This aims to create a pool of talent consisting of brand ambassadors.
- Last year, Bouygues Telecom also started quarterly induction days, marking the first stage of its extensive employee induction process. More than 40 front-line staff gave participants an in-depth look into the workings of the company.

Work/study training contracts

Scope ^a : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
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^a International business internship programme.

Number of apprenticeship contracts during the year	3	332	23	503	50	71	982	835
Number of professional training contracts during the year	4	215	92	303	130	295	1,039	832
TOTAL	7	547	115	806	180	366	2,021	1,667

(a) Coverage: 52.7% of the Group's headcount (Scope 6)

The indicator is specific to France and thus excludes international data

The upturn in recruitment in France and increased opportunities for hosting students promoted the use of work/study contracts, the number of which rose 21% relative to the previous year. Use of work/study contracts underlines the Group's dedication to helping young people enter the world of work.

Promoting career advancement within the Group

Internal job mobility is positive for employees and their employability. Teams and mechanisms in each business segment assist in the dissemination of job offers, promote diversity in Group-based opportunities and support employees seeking internal mobility opportunities. Each business segment can call on the Group's Internal Job Mobility department, which is able to facilitate job mobility between the five business segments. In 2018, there was an average of 1,000 vacancies available for consultation at any given time on Moby clic^a.

In France, arrangements are supplemented by mobility committees in various regions and the Group Coordination and Reconversion committee. In 2019, a mobility forum representing all the Group's business segments will be held on Bouygues Construction's premises.

Job and geographical mobility are part of **Bouygues Construction's** genetic make-up, enhancing employees' careers and benefiting the company at the same time. Bouygues Construction has in the past two years held its own mobility forum, structured around its main domains of activity (property development/sales, technical/R&D, production/construction, support functions and exploitation/services) or around its regions.

In 2018, as part of negotiations on the job and career management agreement, **Bouygues Immobilier** introduced measures to support the company's transformation. This consists of adapting expertise to new lines of business, giving greater prominence to nimble and collaborative working methods, especially by supporting job mobility in all its forms.

The job mobility policy pursued by **Colas** has long been a key element in its approach to career development. It aims to facilitate mobility between different jobs and/or regions to help meet employees' professional and/or personal goals and manage changes in staffing requirements for businesses. One of the challenges of this policy is making the development of talent fit Colas group's requirements. Job mobility between subsidiaries or within subsidiaries is available to all employees both in France and abroad. The principles and key rules are presented in the Colas Mobility Charter, which is available on the e-colas intranet. It states that the process is based on a partnership between the employee, manager and the human resources department. It also indicates that special arrangements are available to assist with transfers, which include expatriate assignments and secondments.

Nomades, a jobs bulletin board accessible on the e-colas intranet, displays internal job offers, which also appear, alongside others, on the Bouygues group's Moby clic^a platform.

Subsidiaries, especially outside France, in many cases have their own information resources detailing the opportunities on offer to employees.

A study into key jobs was carried out in 2018 in collaboration with Colas subsidiaries. This will contribute to the creation of an enhanced jobs database including all the associated skills. Through the "One Colas" corporate plan – rolled out internationally under the title "Route 22" – senior management reasserted its desire to globalise its talent by:

- recruiting staff from international backgrounds;
- offering career development opportunities to French and international employees;
- promoting job mobility across regions and continents.

At **TF1**, the mobility unit set itself a target of 150 instances of job mobility in 2018. The actual figure was 134. Career workshops were conducted with a focus on four themes: CVs, understanding LinkedIn, successful interviewing and networking. The mobility unit ran 44 such sessions, training 191 employees in total.

The mobility unit also launched "Vis ma vie Mobilité" sessions, which give employees the chance to discover new careers over a period of up to three days.

In an effort to enhance the employability and job mobility of its employees, **Bouygues Telecom** added an extra measure to support its teams, launching a portal dedicated to career development. This is called Dev Pro. It offers a wide range of individual and collective resources, such as "Booster Pro", interviews advice, "@toutjob" and details on reversible voluntary mobility, to help employees perfect their career goals.

^a Extranet devoted to internal job mobility within the Group, available to all employees with an e-mail address.

Bouygues Telecom permanently seeks to motivate and develop employees through a focus on in-house innovation, holding annual Innovation Days, encouraging participation in Bouygues IoT Challenges, and arranging meetings with start-ups for its employees and executives – under the aegis of the Bouygues Telecom Initiatives talent programme, the training of 800 local managers within the Makesense incubator.

Managing talent

Identifying, retaining and developing talent is the key consideration at the heart of the mechanisms put in place by the Group's business segments. They promote performance and enhance commitment from individual employees and teams alike. These mechanisms encourage innovation through diversified career paths and access to the Group's management-training courses.

Since 2018, an intrapreneurship charter has defined the conditions for supporting employees wanting to develop their own project.

Career committees are active within each business segment. Group wide, two new committees – for legal and IT personnel – were set up in 2018. More committees are planned in 2019. Each business segment has specific solutions for meeting the challenge.

Identifying talent at **Bouygues Construction** is a worldwide process that uses individualised follow-up to create diversified career paths and support specific development opportunities. The talent-management policy is managed by a specific department, which is helping to move Bouygues Construction towards greater cross-disciplinarity and job mobility, ensuring that talented employees can be seconded between units.

Bouygues Immobilier last year introduced a new policy for managing talent. This involves more regular individual interviews with all employees identified through this policy. In addition, the number of talent-management programmes has been increased, a new tool has been introduced for identifying talent, and expectations in terms of managerial attitude and leadership have been redefined.

The "Point Carrières" initiative, spearheaded by the **Colas** group's human resources department, continued in 2018 to listen to employees' aspirations, offer jobs and more effectively guide their career development.

In addition, careers committees were relaunched to rethink how best to develop and support the most talented employees and prepare succession plans for key managers.

Another key resource for managing careers – a job and skills database – is scheduled to be accessible to employees in the near future. Using job description factsheets that link jobs with key skills, it will be possible to shape career paths within the various lines of business so that visibility can be improved on career plans.

In Europe (excluding France), programmes have been launched to meet training needs, particularly in management and leadership as well as junior- and senior-level contract management. The first session of the "Advanced Programme for International Leaders" (APIL), aimed at Colas' international managers, took place in 2017 and 2018, bringing together nine employees of different nationalities.

To retain and reward its talent, **TF1** launched its excellence programme, "One's" in 2018, which is run in partnership with Essec^a business school. It offers various formats for learning, from academic classroom-based teaching and coaching to coworking. In addition to this programme, an annual talent review provides a space for discussing the support procedure for key managers.

Bouygues Telecom's overhaul of its talent-management system has resulted in the following:

- improved performance management, with a redesigned performance interview and access to a library of qualitative targets representing the company's strategic challenges;
- a guaranteed solid level of expertise – for now and the future – through a workforce planning process that identifies key requirements and distinctive skillsets;
- enhanced employability for its employees by offering several certificate and diploma courses;
- improved productivity and efficiency in HR procedures as a result of simplifications.

3.2.3.2 Developing skills by offering a varied range of training courses

Line managers, HR managers and training departments in all business segments are responsible for identifying training requirements. Meetings such as annual appraisals and job-development interviews exist to help managers and employees assess and give feedback on training requirements.

The Training and Corporate University departments in the five business segments aim to develop – through grassroots initiatives – the technical and managerial skills of employees in the short and longer terms, at every level of the organisation. The Bouygues Management Institute trains senior executives at Group level. All business segments have introduced digital training platforms.

Supporting career development

Group employees have access to an increasing number of certificate and diploma courses to boost their employability. Arrangements are also in place, both in France and elsewhere, to provide refresher training to employees who so wish (e.g. literacy and numeracy).

The Gustave Eiffel apprentice training centre (specialising in construction-related jobs), in which the Group has been heavily involved, has for several years offered in-service training as well as providing expertise in inducting and training people on work/study or occupational-integration contracts. In 2018, the Gustave Eiffel apprentice training centre hosted 360 young people. The exam pass rate was 89%.

Allowing each person to have a career that fits their aspirations and abilities means giving employees a comprehensive view of all the occupations on offer within their company. In pursuit of this goal, five training centres have been set up by **Bouygues Construction** in France, Africa, Asia, Canada and the UK. Having these centres makes it possible to offer Bouygues Construction University training outside France, especially occupational training. Some entities have started their own collaborative YouTube channels internally, where employees can post videos describing their jobs and highlighting best practices.

^a École supérieure des sciences économiques et commerciales.

To promote and simplify access to training, Bouygues Construction is launching Global HR Training, a new resource enabling employees to access training modules directly, arranged by subject or business line. It gives managers more responsibility, putting them at the centre of the process for identifying training requirements.

Bouygues Immobilier seeks to ensure that its employees have a common core of values and skills, and that customers receive excellent service. It sees this as key to its orderly operation, development and growth. An innovative training policy underpins the company's business development and strategy. For instance, tailor-made occupational training has been introduced to keep up with changes in skillsets. Examples include the "Customer Academy" (for training in customer relations) and the "Business University" (for training in sales and marketing).

In mainland France, a policy to support career paths has been defined and implemented by **Colas** as part of the jobs and skills planning agreement (GPEC), signed between Colas and its employee representative bodies in December 2016 for a period of five years (2017-2021), with the aim of developing and reinforcing career management.

At the heart of this approach is the individual appraisal interview, a valuable opportunity and a key tool in building career paths.

The Colas Campus training school, which offers more than 200 personalised training programmes designed for and by Colas, played host to 4,232 French-speaking employees from all backgrounds.

Alongside its health and safety training sessions, which accounted for 48.6% of total training hours during the year, Colas also prioritised business-specific technical skills (almost 19% of training hours) to help drive operational excellence at its worksites.

In 2018, **TF1** developed a bespoke leadership training course, certified by EM Lyon business school. The first intake is due for 2019.



Since 2016, **Bouygues Telecom** has been increasingly investing in training as it seeks to enhance the employability of its workforce. In

addition to the annual training plan, it offers employees the opportunity to complete occupational training leading to formal qualifications.

As part of this process, the company has set itself four top training goals for the next three years:

- developing key skills and employability;
- continuing the transformation;
- adapting more quickly to digital culture;
- enhancing the customer experience and customer satisfaction.

Bouygues Telecom modified its work experience accreditation (VAE) system to include training days in order to make it easier for employees to qualify.

In late 2016, Bouygues Telecom launched a "Customer Portfolio Manager" qualification, based on 20 days of training, thanks to which more than 210 customer relations advisers have obtained a diploma equivalent to second-year university studies.

Bouygues Telecom currently offers 91 qualification-based courses, available through their personal training accounts.

The B2B, B2C and technology "Customer Academies" enhance the expertise of customer relations, sales and technical staff.

In June 2018, Bouygues Telecom opened two store training centres where personnel are trained in contact with genuine customers.

The company also solicits its high flyers to help design training courses on management and corporate transformation. Lastly, Bouygues Telecom has a number of business line expert liaison officers, who coordinate communities such as the "Club des Experts" (telecoms network) or the "Cercle des Chargés de Clientèle" (customer relations).

Raising awareness about the digital transformation process

Since 2018, the Group's employees all have access to the Netexplo online training platform, which enables them to learn more about issues relating to digital transformation and what this means for their job. The platform contains a digital passport, which can be used to accredit expertise.

Raising awareness about the current digital revolution, preparing for its impact on companies (in terms of processes, lines of business and more besides) and maintaining staff employability are three key challenges for **Bouygues Construction** and an integral part of training policy for the 2018-2020 period.

Bouygues Construction last year started setting up e-mail accounts for its site workers and provided training where required. So far, 1,730 new e-mail addresses have been created.

To provide better personalised support to its executives, Bouygues Construction University has designed a Digital Reverse Mentoring programme, whereby they can be coached by younger colleagues who are more versed in digital technology. This programme, which places interpersonal relations at the heart of the digital transformation process, was already available last year to management committees at three of Bouygues Construction's five entities: Bouygues Bâtiment Ile-de-France, Bouygues Energies & Services and Bouygues Bâtiment International.

In 2018, **Bouygues Immobilier** set up training to support the roll-out of new digital resources, such as BIM^a and a new CRM^b system.

Colas is particularly proactive in digital transformation through its "UniOne Digital" initiative, which consists of a tour of regional subsidiaries' head offices to inform and train employees in new digital practices and the use of collaborative tools such as SharePoint, Teams and Yammer. Mechanisms also exist to encourage employees to adopt these digital resources, particularly by means of the Netexplo digital academy as well as in-house digital training on desktop skills (Vodéclic).

^a Building Information Modelling.

^b Customer Relationship Management.

TF1 completed the roll-out of its “Parcours Connect” training certificate, which it started in 2017. This course is offered to all employees, whatever their grade. For three days, participants:

- learn about the company’s strategy and ecosystem;
- gain a view of what is happening in the outside world with respect to innovation, sales and digital technology, through learning expeditions to digital firms or to companies undergoing a shift to digital technology.

At **Bouygues Telecom**, a new Learning Management System (LMS) was launched in the autumn of 2018, offering the possibility of taking courses on a smartphone or tablet computer. The interface was updated to make it more user-friendly and intuitive.

Transforming learning and training methods

The digitisation of learning provides broader access to content and training that is adapted to the operational constraints faced by employees. Innovative teaching techniques (serious games^a, MOOC^b, SPOC^c, etc.) are encouraging take-up of new content. All five of the Bouygues group’s business segments have digital training platforms: Bouygues Construction (Byle@rn), Bouygues Immobilier (BI Learn), Colas (Colas Campus), TF1 and Bouygues Telecom (e-campus).

Mastering new work methods and re-examining behaviour are helping to enhance expertise among employees. This is one reason why Bouygues Construction IT set up training dedicated to design thinking and nimbleness.

Bouygues Construction’s online training platform, “Byle@rn”, was redesigned with three aims in mind:

- making users central to the process again;
- granting managers an enlarged role;
- enabling each employee to become a trainer by allowing them to freely contribute content to the shared catalogue.

External content has been part of Byle@rn from the outset and more will be added in 2019 by Bouygues Construction University staff, freely accessible to all group employees. In addition, the number of virtual classes available is increasing annually.

Bouygues Immobilier is digitising more of its training using a Learning Management System (LMS). This self-service system can be accessed remotely so that each employee can train at the pace they want, according to their needs. This is in addition to classroom-based sessions. Other distance-learning methods have also been made available, including virtual classes, webinars and tutorials.

At Bouygues Immobilier, every employee is instrumental in their own training and can submit individual training requests that their line manager will either approve or turn down. In case of refusal, managers must explain why. Managers are also allowed to create an individual training request for their team members. These individual requests are then approved by HR in line with the overall training budget, which reflects the company’s current priorities. Approved training requests are then entered into the system as the employee’s training plan.

In June 2018, the **Colas** Campus online platform providing access to digital training was opened up to all regions outside France that were not yet covered. Wherever they are located in the world, all Colas employees with an email address now have access to an online training catalogue using innovative formats.

Over the course of the year, several new offers were made available on this platform, including ten business-line tutorials available in 13 languages, with the aim of providing tips for construction projects, and various other modules. These modules are on themes such as commercial performance in the B2C activity, applicable safety regulations and using LinkedIn to boost the employer brand. Much of this content can also be accessed via a dedicated mobile app, which can be downloaded to smartphones and tablets.

Since the platform’s launch in June 2018, users have logged into it over 67,000 times, receiving more than 21,000 hours of training.

TF1 invests resources to develop a culture of learning, sharing and imparting of skills. It does this by:

- offering diverse learning formats (see section 3.2.2.3);
- involving employees at each stage of their training path (co-creation, participation in the pilot, feedback and continuous development);
- harnessing in-house expertise through internal training, mentoring and coaching.

Since 2017, **Bouygues Telecom** has been enhancing its digital training courses. Its e-campus offering non-stop training is now mobile-compatible, so that employees can receive content directly to their mobile handsets.

To develop its digital offering, Bouygues Telecom encourages employees and helps them to create new training content so that their expertise can be passed on to others.

In pursuit of this goal, Bouygues Telecom in late 2018 set up an internal studio for producing training material, the “Rapidmooc”, which can be used by employees wishing to share and impart their skillsets.

Existence of a formal training plan ^a

Scope ^b: France –

International (companies

with more than 300 employees)	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
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^a An app that combines the serious aspects (Serious) of instruction, learning, communication or information, with the fun aspects of video games (Game) – based on the definition of researcher Julian Alvarez.

^b Massive Open Online Courses.

^c Small Private Online Courses.

Existence of a formal training plan	100%	96%	88%	99%	100%	80%	98%	98%
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(a) Scope of indicator extended to French companies in 2016

(b) Coverage: 81.6% of the Group's headcount (Scope 9)

Training

Scope ^a: France –

International (companies

with more than 300 employees)

	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Number of employees trained	235	24,476	1,444	34,320	1,872	4,556	66,903	69,796
Number of training days	848	77,529	4,367	116,952	8,622	18,118	226,436	194,498

(a) Coverage: 81.6% of the Group's headcount (Scope 9)

Indicator available at bouygues.com: Training by type

3.2.3.3 Promoting diversity and equal opportunity in every policy

Fighting discrimination

The Bouygues group's Code of Ethics states that "the Group seeks to apply a fair policy of human resources that complies with the law. The Group will refrain from, in particular, all discrimination on unlawful grounds.". Fair treatment for all and equal opportunity are among the principles of the Human Resources Charter and apply to all aspects of the employee's career, from recruitment and training to promotion, information and communication.

"We are an equal opportunity employer. No applicant or employee receives less favourable treatment because of gender, ethnic background, religion, beliefs, disability, age, sexual orientation or nationality. This is a moral obligation as well as a corporate priority." (Taken from Bouygues group Human Resources Charter, drafted in 2008).

Bouygues aims to promote diversity in terms of professional experience and qualifications, at the hiring stage and thereafter. Equally important, occupational integration is managed through a variety of channels, such as direct hiring, outsourcing to occupational integration companies or to temporary employment agencies specialising in occupational integration. In addition, the Group ensures that its commitments in this domain are respected by subcontractors and Chantiers Ecoles, and integrated into its training programmes.

This diversity policy is promoted by the Diversity-Equal Opportunity committee, which meets several times annually with business-line specialists to share best practices and define joint actions.

Bouygues Immobilier and Bouygues Telecom have signed up to the "Tous en stage !" initiative, which was started by the TF1 corporate foundation to give pupils from disadvantaged neighbourhoods the chance to find out more about companies and professions.

Four of the Group's business segments have a discrimination whistleblowing system, managed by an internal counselling unit. Since 2014, employees of the TF1 group have access to "Allodiscrim", an external, anonymous service that informs and advises employees what to do if they believe they have been discriminated against or been the victim of unfair treatment within their company.

Bouygues Construction is doing more and more to promote equal opportunities, steadily making it a part of its business culture. Specific training modules are being introduced, through which over 50 employees (HR staff and managers) connected with recruitment in some way are trained in recognising stereotypes and being inclusive.

Bouygues Construction SA is continuing its twinning initiative with students from Dumont d'Urville secondary school in Maurepas, near Paris. Through this partnership, some 60 pupils have the opportunity of visiting worksites and learning about construction-related professions. Diversity of backgrounds and intercultural relations are key areas at Bouygues Bâtiment International, which in 2018 retained its Diversity label after passing the latest audit. The "Day One" training module, aimed at first-time expatriates and focusing on the management of intercultural relations, was completed by 372 employees in the year under review.

Bouygues Immobilier provides the Respect and Performance module on the theme of managing diversity. It is dispensed to all the company's experienced managers, helping them foster cooperation within their diverse teams, whether this diversity is based on culture, generation, gender or disability. Specifically, the module aims to help these managers understand possible challenges in managing diversity and making it a source of creativity and enhanced performance.

As a founding partner of the Bagneux second-chance school near Paris, Bouygues Immobilier is also committed to supporting employment among young people from priority neighbourhoods.

The launch of the diversity policy at **Colas** in 2017 was followed in 2018 by an awareness-raising exercise among employees. This involved the following:

- regular presentations of the diversity policy during meetings of the Management Committee, during manager training or during meetings of business-unit managers at subsidiaries;
- four annual meetings of the national diversity committee;
- an article in each edition of the E-HR newsletter. In 2018, three editions were sent to over 30,000 employees worldwide (in French and English);
- a message in the in-house magazine (*Routes*), which is distributed to all Colas employees;
- implementation of the “Recruit without Discrimination” training course, in partnership with Les Entreprises pour la Cité. Six sessions were held throughout France (80 recruiters and HR managers trained).

Colas UK obtained Be FaIR accreditation from the Construction Industry Training Board in recognition of its commitment to fair treatment of employees. Corporate performance indicators are tracked to improve transparency and encourage responsibility among everyone. During National Inclusion Week in the UK, Colas UK conducted a series of activities and published various articles on social inclusion. The “Inclusion – Unlocking Tomorrow” campaign, which took the form of posters available both online and through a mobile app, contributes to promoting increased diversity within the company. Employees were able to test their knowledge of the subject using fun questionnaires.

Safeguarding gender equality



Gender equality and equal opportunity is a goal expressed clearly by Martin Bouygues and shared by all Bouygues group business segments. At a convention

on 25 April 2017 bringing together women’s networks as well as HR chief executives, managers and employees, Bouygues launched its 2020 Group Diversity Plan, containing targets on recruitment, promotion and career development.

Recruitment

The aim is to make the Group more attractive to women. Currently the worldwide gender breakdown is 18% women and 82% men; the Group is targeting 21% women by 2020 (on a worldwide scope). The situation varies markedly depending on Group business segment. Men are more represented in the construction activities whereas at TF1, Bouygues Telecom and Bouygues Immobilier, the gender split is close to even. The Bouygues group has also set a target that, by 2020, 37% of all managers hired will be women.

Recruitment is also being targeted so that it contributes to better diversity in construction, design, finance as well as in communications and human resources. The Group is also working to encourage young women to take up careers in engineering. Bouygues Construction, Colas and Bouygues Telecom have signed agreements with the non-profit organisation Elles Bougent to make the Group’s activities more visible to women throughout France and promote engineering careers among female secondary school students studying science and technology.

Promotion

The Group is intent on facilitating equal access to career advancement. Each business segment has set targets to be reached by 2020 for increasing the number of women in management positions worldwide. For example, at Bouygues Construction and Colas, these targets are 18% and 15%. In France, the Bouygues group has set a target that 20% of department heads or higher will be women by 2020. The proportion of women in executive bodies, which has been monitored for the last two years, rose to 18.8% in 2018 from 18.3% in 2017. The Group is targeting 23% in France by 2020. Already, wage equality is a reality in all the Group’s business segments. Where there are gaps, specific amounts can be allocated.

Development

To improve women’s career development within the Group, support initiatives are offered in various forms.

The first Group-wide mentoring scheme for women (mentored by either a man or a woman), which concluded in October 2018, was followed by a second round in January 2019. This time the intake was 39, up from 18. Mentoring schemes are also operated individually by Bouygues Construction, Colas, TF1 and Bouygues Telecom. TF1 and Bouygues Telecom have extended their programmes in conjunction with partners Cisco and Ciena. Training courses in leadership for women are offered by TF1 and Colas.

Bouygues Construction, Colas, TF1 and Bouygues Telecom all run women’s or mixed networks offering conferences, mentoring workshops on how to market oneself, and informal discussions. In November 2018, following on from previous years, Bouygues SA invited 12 female employees working in various business segments to take part in the 14th Women’s Forum for Economy & Society in Paris, with a view to drawing inspiration from current trends and best practices enacted in companies around the globe. In addition, a local delegation from Bouygues Construction and Colas participated in the Women’s Forum in Toronto and Singapore for the first time.

Bouygues Construction continues to enact its diversity policy, which is based on raising awareness among staff, identifying female talent and conducting initiatives promoting construction-related jobs, both internally and among female secondary-school students.

In 2018, as part of International Women’s Day, Bouygues Bâtiment Ile-de-France (an operating unit of Bouygues Construction), held a special event called “Women and Social Housing”, about diversity in the construction sector. Approximately 100 people representing stakeholders from the industry were in attendance. The event took the form of discussion forums on the subject of promoting women to positions of responsibility.

The internal WeLink women’s network, now open to all female employees, is gaining in influence as it is now available outside France (Canada, Morocco, Singapore and Switzerland). The network is present in most Bouygues Construction entities, organising events and workshops open to

everyone. WeLink sees itself as and fulfils the role of a driver for greater diversity. At the same time, Bouygues Energies & Services and Bouygues Travaux Publics have set up women’s mentoring schemes.

“Girls on the Move events”, held in conjunction with the Elles Bougent group, have now expanded overseas to Morocco, Hong Kong and Cuba, which held successful initial events. Local firms organise worksite visits, presentations and discussions between female employees and school and college students on the subject of technical professions, with a view to making the construction industry a more attractive proposal for young women.

In 2018, **Bouygues Immobilier** rolled out an action plan based on three priorities:

- A diverse workforce: in 2018, Bouygues Immobilier achieved a balanced overall workforce but needs to maintain the policy to ensure diversity across all job categories.
- A diverse management structure: the company has exceeded the female-manager targets laid down in its gender equality agreement. But while the proportion of women in supervisory roles continues to increase steadily, efforts must still be continued in the form of new career-supporting schemes aimed at women (including participation in the Group-wide women’s mentoring programme, for example). Every year, two coaches support talented staff at Bouygues Immobilier, including several high-potential female employees.
- Equal treatment (pay reviews, promotions, etc.).

At **Colas**, diversity policy is structured around three objectives:

- Attracting more women, which means increasing the number of applicants for jobs on offer. To help achieve this goal, 18 pairs of ambassadors – each comprising a man and a woman – were appointed. After undergoing training, they are invited to speak at forums or during events at schools to tell people about Colas, what it does and what career opportunities are available for both women and men.
- Recruiting more women for all professions. Internal recruiters and business partners – temporary employment agencies and recruitment firms – are making sure to put forward applications from both sexes for all jobs, particularly in supervisory roles.
- Retaining female employees and developing their careers. In 2018, 35 female employees were offered either a leadership development training course (“Leadership au Féminin”) or a year of mentoring with a Colas manager.

The WE network, a discussion forum that is also open to men (and which had over 840 members last year), also contributed to increasing gender equality at Colas.

A landmark agreement to enhance diversity and improve gender equality in the workplace was signed in June 2018 (see section 3.2.2.3 entitled “Ensuring high-quality dialogue between labour and management”).

In September 2018, Colas Afrique’s HR team took part in the second annual Women In Africa (WIA) summit, whose theme centred around placing confidence in Africa and believing in its talent. A number of issues were discussed such as the place of women in business and the importance of education for women’s advancement.

In Europe, Colas subsidiaries ensure that gender equality is respected and apply a proactive policy, particularly in terms of recruitment. In certain countries such as the UK and Denmark, management has drawn up specific statements with precise, long-term targets. A training programme on this topic has been developed and is offered to all employees at Colas UK.

The **TF1** group works hard to promote diversity and gender equality in connection with hiring, career management, pay and promotions.

In the space of three years, the percentage of women on the Management committee (150 top group managers) has risen from 30% to 36%. Additionally, the Fifty-Fifty network (set up in 2015) puts together initiatives promoting a culture of diversity within the company. It also helps female employees to become more assertive.

These commitments have led to results. The TF1 group now ranks among the top-20 best companies for gender equality, according to the Equileap global rankings. It is thus the highest-rated media group and the fifth French company in the top-20.

The group is also committed to having more female pundits in the media. The second annual “Expertes à la Une” event last year brought together over 170 people. This event aims to remove the hurdles to greater participation by women in the media, focusing on two spheres of action: coaching women in verbal communication and raising awareness about equality issues amongst editorial teams.

At **Bouygues Telecom**, women have been represented on the company’s Executive Committee at a rate of 33% since 2017.

Bouygues Telecom concluded its ninth round of mentoring with an intra-company programme and other mentoring schemes held in conjunction with TF1, Cisco and Ciena. In addition, a second cross-mentoring round, comprising members of Bouygues Telecom’s Executive Committee and 15 younger talents within the company, was initiated in 2018.

Bouygt’Elles, the women’s network that was started at Bouygues Telecom in 2011, is a key measure of the “Women in Management” plan – a joint venture between the senior management and the HR department aimed at increasing the proportion of women in the most senior managerial positions.

Bouygues Telecom has also been running Girls@tec days for five years as a way of enhancing the appeal of technological fields of work among women and furthering gender equality in the workplace. Lastly, the company in late 2018 started working with Elles Bougent, a non-profit organisation, to encourage young women from the age of 16 upwards to train for a career in technology or science.

Proportion of women in the Group

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Women with Staff status ^b	21.8%	26.4%	51.5%	21.9%	55.7%	41.3%	28.7%	28.4%

<i>O/w women with Manager status^c</i>	16.3%	15.0%	26.9%	11.6%	42.7%	27.5%	18.5%	16.8%
Women with Worker status ^d		10.3%		2.5%			5.8%	5.8%

(a) Coverage: 100% of the Group's headcount (Scope 1)

(b) Supervisory, managerial and technical employees

(c) In France, managers are employees who are department heads or higher; internationally, they are employees who are part of a management body

(d) Site workers

At Group level, the proportion of women with staff status was stable. The proportion of women with manager status increased by almost two percentage points.

Hiring people with disabilities

The Bouygues group is active in employing people with disabilities. Its policy in this area has four priority areas:

- recruitment through specialist forums as well as membership of specialist organisations or the use of specialist recruitment agencies;
- keeping the disabled in employment by improving access via the adaptation of workstations and equipment as well as promoting professional development through core expertise training;
- raising awareness and communicating clearly to encourage employees and managers to regard people with disabilities in a positive way, e.g. Bouygues Telecom's e-learning module on disabilities;
- subcontracting to sheltered workshops and disability-friendly companies.

A structured disability policy is firmly established in all the Bouygues group's business segments in France, including disability officers to coordinate actions and training for human resources managers and employees. Specific policies exist to help retain disabled employees and adapt working hours to their needs.

In 2018, the Group – in conjunction with Cap Emploi – ran a job-dating event to recruit employees with disabilities on work/study contracts, which led to fresh intake of disabled people in this category. Several such positions were filled at Bouygues Construction, Bouygues Immobilier, TF1 and Bouygues Telecom in support departments.

During European Disability Employment Week, the Group's business segments got involved through a series of initiatives:

- Bouygues Construction held a "Handiquiz" throughout the week to promote retaining disabled workers or sourcing from the sheltered sector.
- Bouygues Immobilier used a film and a competition called "Handi Birds" to raise awareness.
- Colas organised sessions with visually-impaired physiotherapists.
- TF1 ran a scratchcard competition that comprised questions relating to disabilities and the recognition of disabled worker status.
- Bouygues Telecom organised a visit to learn about the Paris guide-dog association. Employees also took part in an awareness-raising workshop based on cooking (run by Kialatok, a training body) and met up with Paralympic table-tennis champion Florian Merrien.

A clear-cut process with designated liaison officers has been adopted at **Bouygues Construction** to encourage employees with disabilities or health problems to remain in the workforce. It also trains HR staff, managers and employee representatives as part of its ambitious disabilities policy.

The job-dating event, held in conjunction with Cap Emploi, gave the opportunity to 15 HR operational staff as well as managers to create a list of almost 40 potential candidates.

At **Bouygues Immobilier**, actions aimed at raising awareness among staff, recruiting and keeping the disabled in employment, as well as increasing subcontracting to the sheltered sector have paid off, with the proportion of disabled employees tripling in the space of seven years to close to 3%.

Each employee has received a brochure at their home address as a reminder of Bouygues Immobilier's commitment to this issue. A film on hidden disabilities was also shown throughout the company, including the branch network. Lastly, employees can test their knowledge on this issue using an online quiz.

Participation in several specific forums and partnerships with ESTP^a and ESPI^b once again led to the hiring of more disabled employees in 2018.

As part of its "Handicap" policy, **Colas** recruits disabled workers and continues to raise employee awareness about this part of its diversity policy.

Responding to the call by the French broadcasting authority (CSA), **TF1** signed an agreement with several audiovisual and journalism schools to promote training and internship opportunities for disabled students. Special training is offered to employees whose team is due to host a disabled colleague.

Both through its TV programmes and internally, TF1 is helping to drive change in how we consider other people and promote talents of all kinds. The digital onboarding platform for new TF1 employees includes a section on the work carried out by the Disability Task Force.

^a École spéciale des travaux publics, du bâtiment et de l'industrie.

^b École supérieure des professions immobilières.

The TF1 and LCI TV channels took part in the nationwide “Duoday” awareness day, sponsored by the French Secretary of State for Disabled People. They did this by offering three disabled people the chance to co-present three major TV programmes alongside the regular presenters.

Last July, TF1 also launched a new magazine, *C'est quoi cette question ?*, which gives a voice to people who have been victims of prejudice.

Bouygues Telecom encourages retaining disabled employees by adapting workstations and equipment as well as promoting career development through core expertise training. In late 2017, it started offering an e-learning module designed to challenge received wisdom about disabilities and provide information about the Disability Task Force. In 2018, the module became mandatory. Last year, the Disability Task Force visited several customer relations centres in France to raise awareness and meet with employees with disabilities.

Using the sheltered sector

Making use of the sheltered sector is also a way of encouraging disabled employment (see also section 3.4.3.1).

Approximately 30 local disability officers and **Bouygues Immobilier's** Disability Task Force worked together to forge new partnerships with companies in the sheltered sector. Framework agreements were signed in regard to activities linked to Bouygues Immobilier's core business.

Colas began an initiative with its purchasing departments to encourage buying from the sheltered-workshop and disability-friendly sector. Approved suppliers are listed in a database. Ordering from this sector is encouraged wherever possible as this is a win-win for both parties.

Under its fourth triennial agreement on hiring and retaining disabled workers, the TF1 group pledged to spend €700,000 with the sheltered sector.

In addition, a special training module was dispensed to purchasing teams.

Every year, **Bouygues Telecom** renews its partnership with the charity Pas@Pas, which provides the company's purchasing teams with a full list of sheltered workshops and disability-friendly companies in France to increase business with this sector.

Employees with disabilities

Scope: France ^a	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total	2017 Group total
Number of employees with disabilities ^a	6	557	35	953	81	286	1,918	1,903
Number of employees with disabilities hired during the year ^a	1	21	4	24	9	26	85	71
Sales ^b with sheltered workshops and disability- friendly companies during the year	n.m.	€2,157k	€238k	€1,735k	€261k	€411k	€4,802k	€5,210k

(a) Coverage: 52.7% of the Group's headcount (Scope 6)

(b) Coverage: 52.6% of the Group's headcount (Scope 7)

n.m.: non-meaningful

The indicator is specific to France and thus excludes international data

3.3 ENVIRONMENTAL INFORMATION

Further information can be found by visiting bouygues.com or consulting the CSR documentation of the individual business segments available on their respective websites.

3.3.1 General environmental policy

3.3.1.1 Environmental policy

Environmental issues are considered strategic by Bouygues, as it aims to rank among the leading solution providers for the planet-wide challenges of climate change and resource scarcity. Sustainable construction and urban planning are two such solutions. Consistent with this policy, the Group is also enacting indicator-driven initiatives to limit and then reduce the environmental impact of its operations.

The environmental policies of the Group's business segments cover the various phases of their activities.

In the design phase, all business segments factor environmental issues into their products and services. At the construction businesses, this is embodied by:

- environmental labels and certifications for their products (BREEAM[®], LEED[®], HQE[™], BBC-effinergie[®], BiodiverCity, Minergie[®], E+C-^b, BBCA^c, etc.);
- promotion of the circular economy by helping create the BBCA label (see section 3.3.4.4), which recognises circular economy criteria, such as selective deconstruction methods, throughout a building's lifecycle;
- lifecycle assessments and the provision of eco-friendly alternatives.

Sustainable construction and research into environmental solutions are a key focus of innovation at Bouygues Construction, Bouygues Immobilier and Colas.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
R&D budget spent on CSR	Global	98% of Bouygues Construction's consolidated sales	28%	39%	A significant portion of R&D expenditure is related to CSR, especially sustainable construction. In 2018, the methodology used to split R&D expenditure over the group's three broad commitments (CSR, its customers and productivity) was fine-tuned to harmonise the way in which the contributions to the three themes are allocated. This shows that CSR accounted for 28% of R&D expenditure, almost on a par with the other two themes – customers (39%) and productivity (33%). Data for this indicator are reported on the basis of the calendar year.
Buildings in the order intake with environmental labelling or certification prescribed by Bouygues Construction	Global Construction activities	48% of Bouygues Construction's consolidated sales	48%	69%	Whenever Bouygues Construction acts as a designer/builder, it endeavours – wherever possible – to include environmental certification and/or labelling commitments that exceed applicable regulations. The decrease in this indicator last year stems from significant order intake by Bouygues Bâtiment International that did not comprise this type of commitment. Nonetheless, half of the order intake does comprise a certification or labelling commitment.

- **Concerning Group operations** (primarily worksites and fixed locations such as workshops and production sites), management of environmental impacts chiefly relies on the use of environmental management systems (ISO 14001) as well as certifications (HQE[™], LEED[®], BREEAM[®]).
- In addition to these tools, the Bouygues group's construction businesses have developed their own methods for assessing environmental performance that factor in the specific features of their respective activities: Bouygues Construction's Ecosite and Top Site labels (see section 3.3.1.2), Colas' self-assessment checklists and Bouygues Immobilier's Clean Worksite Charter. The Clean Worksite Charter applies to all of Bouygues Immobilier's commercial property developments (10.25% of its sales) and NF Habitat HQE[™] housing developments, which represent 25% of its residential property activity (89.7% of sales).
- **As part of its internal processes**, the Group implements a certification policy governing the construction and operation of its own buildings. The headquarters of Bouygues SA, Bouygues Construction and Bouygues Immobilier, Bouygues Telecom's Technopôle, Printania (a customer relations centre) and data centre, and Colas' new head office, Prism', carry this certification (see section 1.1.5 Bouygues group: main sites in Chapter 1 of this document).

Prism', Colas' new positive-energy headquarters

After two-and-a-half years of work, Colas' new headquarters – Prism' – was inaugurated in Paris on 9 July 2018, welcoming some 350 employees from the former Boulogne-Billancourt location. The project showcases the Group's business segments working together. The building itself was constructed by Bouygues Bâtiment Ile-de-France Construction Privée (part of Bouygues Construction) on behalf of Bouygues Immobilier, the developer.

Prism' is the first Green Office[®] to be built where Bouygues was the main contractor. It leads the field in energy performance, having been awarded three environmental certifications: Bepos-Effinergie 2013, HQE[™] Exceptionnel 2015 and BREEAM[®] International 2013, Excellent. Thanks to 540 m² of photovoltaic roof panels and a cogeneration plant fuelled by rapeseed oil, the building produces more renewable energy than it consumes.

^a Minergie[®] and Minergie-eco[®] are pan-European performance labels originating from Switzerland. They are mainly prescribed by Losinger Marazzi, Bouygues Construction's Swiss subsidiary.

^b The E+C- (Energy + Carbon -/Positive-energy building and Carbon Reduction) label is a regulatory pilot label that is a forerunner of future energy rules. The government broadly consulted with stakeholders in designing the methodology, which resulted in the publication of guidelines and a technical reference base, criteria of which are incorporated into the BBCA and Effinergie 2017 labels.

^c The BBCA low-carbon label certifies that a building has an exemplary carbon footprint.

Given the type of products and services offered by the Group, environmental-performance policies and initiatives applied when structures are in operating phase are crucially important. Bouygues Construction and Bouygues Immobilier support customers in managing and limiting their final energy consumption. For example, their offers include performance commitments in the form of Energy Performance Contracts (EPC) for commercial and residential properties (see paragraph 3.3.3.2).

Environmental certifications relating to the operation of buildings (HQE™ Exploitation, LEED®, BREEAM® in use) prescribed by the business segments, carry requirements in energy and resource management in the area of operations and maintenance.

3.3.1.2 Environmental risk prevention

Risk analysis

In general, environmental risk prevention requires early-stage analysis that maps or assesses the risks connected with production sites or fixed business-related locations.

The business segments' main environmental risks are identified in Chapter 4 of this document, in sections 4.1 Business-specific risks and 4.5 Vigilance plan. Financial risks arising from climate change are identified and described in section 4.2.

Environmental management systems

As an integral part of CSR policy at Bouygues, implementation of an environmental management system is one of the four actions that the business segments pledge to improve the Group's environmental performance. Standards (ISO 14001, ISO 50001 and ISO 9001) and the environmental certifications (HQE™, LEED®, BREEAM®) enacted in Group operations provide a framework for environmental management.

For example, Bouygues Immobilier has pledged to abide by all requirements of the NF Habitat – NF Habitat HQE™ certifications on its residential property developments (89.7% of sales), using a management system that is audited annually by Cerqual Qualitel Certification (25% of property developments are checked in the design stage and at handover for compliance with NF Habitat HQE™).

To reduce environmental hazards on worksites and other locations operated by Colas and Bouygues Construction, both business segments rely on environmental management systems largely inspired by ISO 14001. ISO 14001 incorporates a risk assessment and procedures by which entities can address the environmental issues relating to their particular activity.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Sales covered by an ISO 14001-certified EMS ^a	Global	98% of Bouygues Construction's consolidated sales	95%	91%	Management of environmental impacts in Bouygues Construction's operations is enhanced by a risk prevention policy based on an ISO 14001-certified environmental management system that is used almost universally. In 2018, 95% of the Group's operations were ISO 14001-certified.

(a) Environmental management system

At Colas, ISO 14001 certification is rolled out at more than half of fixed locations, especially materials production sites. Annual cross-audits of subsidiaries in Belgium, mainland France and Switzerland serve to evaluate facilities and reinforce environmental hazard prevention. These audits are carried out at approximately one hundred ISO 14001-certified sites per year, representing around 14% of sites in that geographical area, by specially trained internal auditors. The findings from these cross-audits are shared with the rest of the group. Other regions are also trying out similar types of exchange (e.g. the Indian Ocean region and the US), often once the EO^a programme has started.

^a Environmental Officer.

Internal procedures

So that the environmental risks pertaining specifically to their type of activities are better managed, the Bouygues group's business segments have implemented their own internal environmental management systems and labels.

- Bouygues Immobilier applies its Clean Worksite Charter to all commercial property developments (10.3% of its sales) and NF Habitat HQE™ housing developments, which represent 25% of its residential property activity (89.7% of sales). The Charter involves the appointment of an environmental coordinator before work begins, at the contractor's expense. These coordinators are present throughout projects. Their role is to gather, store and classify all environmental data required to ensure a low-impact worksite, as well as to ensure compliance with measures in force. Each trade designates an environmental officer, who is then the coordinator's contact person.
- Checklists at Colas, which cover each type of fixed facility (laboratories, work centre depots, workshops, hot and cold mixing plants, emulsion and binder plants, bitumen depots, quarries, gravel pits, recycling platforms, ready-mix concrete plants, prefabrication plants, construction waste disposal sites, etc.), constitute a concrete benchmark for assessing environmental performance. Standardised checklists have been developed for each type of fixed installation, representing around 2,800 production units all over the world.
- Initiated in 2017, the Top Site label was phased in by Bouygues Construction, fully replacing Ecosite in May 2018. For the sake of harmonisation and simplification, Top Site has been used since that date. This label, which covers sustainable development from every angle, is used to manage the impact of environmental hazards and pollution on Bouygues Construction's worksites. In addition to environmental criteria, it includes new HR, social, health & safety and quality criteria, and also assesses the level of customer involvement in obtaining the label. Given that the roll-out of Top Site began in the second part of 2018, only a few worksites have already qualified for the label. Bouygues Construction's goal is to make Top Site the common standard for all its worksites.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Worksites carrying the Top Site label ^a	Global	98% of Bouygues Construction's consolidated sales	11.3%	N/A	Top Site is the new labelling scheme officially launched in May 2018 to supersede Ecosite, covering CSR from every angle, from health & safety, quality, the environment, HR and civil society. It was recently expanded to include innovation-related themes. As the label is new, it covers only four months of the reporting <i>period</i> , which accounts for the low percentage. Roll-out will continue in 2019 with a target to assess 100% of eligible sites

(a) The percentage of worksites carrying the Top Site label is calculated by dividing the number of eligible certified worksites by the number of those eligible (whether certified or otherwise). Eligibility criteria refer to duration, activity and worksite progress thresholds, with the exception of Bouygues Energies & Services.

N/A: not applicable

Colas indicators

Indicator	Scope	Coverage	2018	2017	Remarks
Environmental certification of materials production sites % of sales before inter-company eliminations	Global	100% of sales (before inter-company eliminations) generated by materials production activities	61%	62%	Environmental certification of materials production sites fell by 1 point but is still at a satisfactory level given the range of contexts around the world in which Colas operates and the minority interests held by Colas in many of these businesses. Furthermore, in some regions, managers have begun to question the usefulness of this approach, or would like to replace it with more practical and less systemic guidelines. At this stage, the debate remains open, even though there is a strong tendency at subsidiaries to define the certified scope of their activities with greater precision.
Rate of environmental self-assessment using Colas checklists^a % of sales before inter-company eliminations	Global	100% of sales (before inter-company eliminations) of materials production activities for which checklists are applicable	83%	85%	Despite an improvement for mainland France and continued efforts elsewhere, the overall figure was lower in 2018 but remained high nonetheless. The lower level internationally was due to the increased number of production sites taken into account.
Materials production activities that use a tool to manage environmental impacts (environmental certification and/or Colas checklists) % of sales before inter-company eliminations	Global	100% of sales (before inter-company eliminations) generated by materials production activities	84%	85%	The indicator remained high despite decreasing by 1 point. The target is still 100% despite the presence of other shareholders in subsidiaries, some of which are majority owners.

(a) Activities to which the checklist applies: fixed quarries; fixed gravel pits; borrow pits; hot-mix plants; cold-mix plants; oil and bitumen refineries; asphalt plants; plants making binder, emulsions and/or fixed modified binders; ready-mix concrete plants; fixed prefabrication plants; fixed recycling plants; bituminous membrane facilities; various fixed installations; fixed bituminous binder storage facilities. This excludes some highly specific, low-volume production activities (e.g. steel framing)

3.3.1.3 Training and raising awareness to help protect the environment

The Bouygues group runs a wide range of training and awareness-raising programmes for employees and externals on the importance of protecting the environment.

Training and awareness-raising at Group level

The Group Sustainable Development-QSE department holds seminars to train Group managers to self-assess their own practices and situate themselves in relation to best practice as defined by the EFQM (European Foundation for Quality Management) model and ISO 26000. The seminar programme – called Abby – has organised over 84 sessions up to 2018 (with an average of 12 participants per session) since beginning in 2006.

Additionally, the Bouygues Management Institute (IMB) training module, “Towards the contributive firm”, aimed at senior executives from the five business segments, tackles the major challenges relating to the societal shifts that are driving changes in the Group’s business models. The seven sessions held in 2018 brought together around sixty managers.

At the Group Management Meeting in May 2018, the theme of the circular economy was discussed. Managers were made aware of resources depletion and the Earth Overshoot Day, and shown a presentation on the seven pillars of the circular economy as determined by Ademe^a. Inspiration was also taken from outside the Group, and there was also a focus on what the Group is doing really well. The event also included a round-table discussion on its future interaction with the circular economy.

Lastly, since its launch in 2015, the collaborative intranet network, Yammer Bouygues, has driven synergies across the Group. The major sustainable development challenges (energy-carbon, circular economy, sustainable urban environments, CSR reporting, etc.) are currently managed through this network. At the end of 2018, this Group network had nearly 8,500 users.

^a French environment and energy management agen

Business segment initiatives

In conjunction with these Group-wide initiatives, the five business segments organise and run training and awareness-raising exercises so that the specific challenges relating to their respective activities can be taken into account. For example, at Bouygues Construction, Bouygues Immobilier and Colas, training programmes contain several modules that are partially or wholly devoted to such issues.

- Teams on Bouygues Construction and Colas worksites take part in QSE “starter” sessions, which raise awareness among site workers about the quality, safety and environmental issues specific to the project in progress. One area of focus can be waste and pollution hazards.
- Bouygues Construction runs webinars on the E+C- (Energy + Carbon -/Positive-energy building and Carbon Reduction) label to build and share expertise in this field. An Ecodesign Day was also held on 30 August, during which over 150 participants were able to learn about the latest developments and trade best practices. Themes covered included the fight against climate change, the circular economy, indoor air quality and biodiversity. As a result of the event, a network of eco-designers was created. In January 2018, the Purchasing and CSR committee was made aware of the importance of including the circular economy in their business practices.
- Bouygues Immobilier involves its employees in its “One tree, one home” programme. For each housing unit sold, a tree is planted as part of the Alto Huyabamba reforestation project in Peru. At the end of 2018, three years after the partnership began, over 30,000 trees have been planted as a result of this initiative.
- European Sustainable Development Week (ESDW) and/or Mobility Week are other highlights in the internal communications calendar. To mark the ESDW last year, Bouygues Telecom ran a wide-ranging survey among employees about corporate social responsibility and what it means for the company. Over 300 questionnaires were returned, helping to set priorities for the company’s CSR challenges. Bouygues Bâtiment conducted awareness-raising exercises for all its employees during the ESDW in June 2018.

Raising awareness among the general public

The Group works to raise awareness among external stakeholders about environmental protection and climate change. For example, the Energy Performance Contracts (EPC) prescribed by the business segments comprise information on how to reduce energy consumption within buildings.

TF1 raises awareness all year round through many different shows on its TV channels or websites, from weather bulletins and news reports to reports on Ushuaïa TV (a nature channel), children’s awareness-raising campaigns and the *Impact Positif* podcast, produced by journalist Sylvia Amicone. In June 2018, Ushuaïa TV received three accolades at the Deauville Green Awards in the “Preservation of Biodiversity” and “Health and Living Environment” categories. Ushuaïa TV also ran a special schedule between 13 and 23 October to coincide with the campaign for better eating and less food waste, led by renowned chef Thierry Marx.

At Colas, grass-roots dialogue with local residents, which often includes information about environmental issues (including biodiversity), has led to higher acceptance of materials production activities.

One of the charities supported by the Bouygues Immobilier corporate foundation is Unis-Cité, which has pioneered voluntary community service in France. As part of this initiative, the foundation provides financial support to the Médiaterre programme, which promotes eco-friendly behaviour among families living in underprivileged neighbourhoods, which in turn reduces their water and electricity bills, whilst strengthening the social fabric of local communities at the same time.

Bouygues Immobilier indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Number of volunteers in the Médiaterre programme supported by Bouygues Immobilier in areas of engagement	France and subsidiaries	94.8% of Bouygues Immobilier’s consolidated sales	114	164	The change is due to fluctuations in the number of available volunteers in the localities supported by Bouygues Immobilier’s budget.

Several employees from Bouygues Construction gave courses on the circular economy at Ecole des Ponts ParisTech, a leading school of engineering. Furthermore, Bouygues takes part in international trade fairs to promote its initiatives and innovations for making urban environments more sustainable. For the second year running, Bouygues and its business segments were represented at the third Viva Technology event in Paris (24-26 May 2018), where it ran events and maintained an information stand. Bouygues was also represented at Pollutec in Lyon (27-30 November 2018), where several experts from individual business segments shared their experience with visitors. Lastly, the Explore The City 3D app was also updated. This gives Bouygues group employees and the general public the opportunity to view the environmental contribution of the Group’s business segments (e.g. low-carbon construction), focusing on several of its benchmark projects and emblematic solutions in virtual form.

3.3.1.4 Provisions and guarantees set aside for environmental risks

In the normal course of its business, Bouygues Construction is exposed to direct pollution risks, which are both limited in nature and strictly controlled. Potential hazards are carefully assessed based on a full analysis of operations. As a result, the company does not have to set aside a material amount of provisions.

Pollution risk is included in Bouygues Immobilier’s major-risk map. Land-purchasing procedures include preliminary soil testing. Obtaining a report certifying the absence of any soil or subsoil pollution is a necessary precondition before signing a contract for the purchase of land. An exemption

may only be granted upon prior authorisation of the vetting committee. In this specific case, cost overruns from decontamination, assessed on a case-by-case basis, are folded into the total cost of the transaction, prior to signature of the land-purchase contract. Because the related financial data are confidential, it is not possible to disclose an order of magnitude for the amount provisioned.

Colas makes provisions for clean-up expenses on contaminated land when the amounts have been determined based on an assessment by an independent firm and when a date for site rehabilitation has been set (by the competent authority, for example) or is otherwise known (upon lease termination, for example). With regard to financial guarantees and provisions for rehabilitation, a large number of quarries and other sites worldwide are subject to specific regulatory requirements when they are no longer operated and require provisions to cover environmental risks during operation. This entails a wide variety of guarantees and practices (such as performance bonds, insurance, escrow accounts and provisions) that depend on national laws. Colas' provisions for on-site rehabilitation commitments totalled €175 million at 31 December 2018. To date, there is nothing that indicates that these comprehensive measures are insufficient, neither during internal or external audits nor during the investigation of insurance claims.

There are no business-related environmental risks at TF1 and Bouygues Telecom that would warrant the booking of provisions.

3.3.2 Management of pollution and disturbances

3.3.2.1 Preventing and rectifying pollution

Pollution arising from the Group's business activities is diverse and varied, involving air, water and soil. This is mainly generated by the Group's building and civil works sites or related to the industrial activities at certain fixed locations.

On the Group's worksites and fixed locations, external certifications (ISO 14001) and in-house standards (Bouygues Construction's Ecosite and Top Site labels and Colas' checklists) are the main resources available to operating units for preventing pollution.

Bouygues Construction handles these issues through the air and bodies of water standards that are part of its Ecosite and Top Site initiative (see section 3.3.1.2). Emergency procedures exist in the event of pollution incidents that put in place the appropriate remedial action. In addition, a database keeps a list of hazardous materials and the associated preventive measures.

These are all qualifying criteria to earn the Top Site label. Worksites must implement procedures for controlling environmental impacts on local residents.

Initiatives by Colas to prevent, limit and where possible eradicate pollution mainly centre on fixed locations and large worksites:

- all environmentally certified sites have as their basic documentation an environmental analysis, dashboards and action plans, most notably for reducing pollution in cases where this is deemed significant. This information is used during management reviews to analyse and limit the impact of operations and improve environmental performance. In addition to these measures, the checklists also cover non-certified sites in aspects such as administrative management, site organisation, storage, operations management and monitoring, environmental impact and risk management (water and air pollution, waste, natural and technological risks, noise and vibration) and dialogue with local communities;
- specific arrangements such as an environmental protection plan are drawn up for each of these major worksites, for example for the New Coastal Road project on Reunion Island, the Lens BRT^a in northern France and resurfacing projects in Madagascar.

The environmental certifications used by Bouygues Construction and Bouygues Immobilier also contain points to watch during the construction phase. For example, an HQE™ project must ensure that all kinds of pollution (air, water and soil) are kept to a minimum. The Clean Worksite Charter aims to prevent and reduce air, water and soil pollution. Lastly, the quality benchmarks (HQE™, BREEAM®, LEED®) promoted by Bouygues Construction and Bouygues Immobilier comprise obligations for the design and operational phases that reduce air, water and soil pollution.

In its infrastructure projects, Bouygues Travaux Publics does its utmost to limit impacts on biodiversity and the natural environment. For example, as part of the Monaco offshore extension project, measures were taken to limit the dispersion of fine particles, check water quality and monitor noise. Special arrangements were enacted to limit the effects of turbidity^b on the natural world, including a custom-made underwater screen that was installed to shield two nearby marine nature reserves. Suspended solids, water quality, terrestrial and underwater acoustics and reserve species are monitored regularly to assess the conservation status of the project's environmental criteria.

Air, water and soil pollution arising from the operations of TF1 and Bouygues Telecom are very low and, moreover, immaterial on the scale of the entire Bouygues group.

3.3.2.2 Measures taken to reduce other disturbances

The other forms of disturbances to which the Group's activities may give rise are mainly exposure to noise (either day or night-time), odours, night-time lighting or vibrations. Its Media and Telecoms businesses are concerned by the issue of exposure to electromagnetic waves.

Acceptance of production sites and worksites by local residents is a sensitive question for the Group's business segments. In addition to the measures set out in the ISO 14001 environmental certification, disturbances to local residents are among the points monitored by internal standards: Top Site (which has replaced Ecosite), Clean Worksite Charter and Colas checklists.

One of the standards of Bouygues Construction's Top Site initiative addresses the management of noise pollution in consultation with project stakeholders as soon as this is established as a risk stemming from the worksite. Furthermore, Bouygues Construction markets a noise barrier for local

^a Bus Rapid Transit routes.

^b Suspended material content.

residents living close to worksites. It was developed by its acoustics and vibrations skills centre, which is staffed by experts from its various operating units.

Bouygues Immobilier checks noise levels on sites covered by the Clean Worksite Charter. Where necessary, remedial measures can be taken to reduce disturbances resulting from excessive noise or vibrations.

TF1 and Bouygues Telecom are especially attentive to exposure to the waves emanating from their masts. For example, a safety perimeter is set up around all of Bouygues Telecom's radioelectric sites (antenna). This ensures compliance, beyond the perimeter, with the exposure limits defined by the decree of 3 May 2002 in regard to all freely accessible areas. Any access inside the perimeter is only granted once the signals have been turned off. Bouygues Telecom also implemented new regulations based on the first specific European directive obliging companies to evaluate their employees' exposure to electromagnetic fields.

Procedures giving priority to the re-use of deconstruction materials are implemented, reducing the need for transportation as well as the related disturbances.

- For example, Colas is developing products that reduce traffic noise, such as fractal-technology noise barriers, and most significantly noise-reducing asphalt mixes (Nanosoft®, Rugosoft® and similar), which can reduce traffic noise by as much as 9 decibels. In 2018, 394,000 tonnes of this type of asphalt mix were produced. This product range reflects the continuing investment by Colas on R&D over many years, and for which it has received a number of technical awards.
- For Grand Paris infrastructure projects, Bouygues Travaux Publics is committed to cutting worksite noise pollution by installing sound barriers in sensitive areas and monitoring noise constantly.
- In its rehabilitation of the Hôtel-Dieu in Clermont-Ferrand, Bouygues Immobilier re-used 50% of materials recovered from the site, equating to some 12,000 tonnes. Truck traffic devoted to removing deconstruction materials and bringing in new building materials was halved.

3.3.3 The circular economy

The construction industry generates 70% of the 324 million tonnes of waste produced in France. Under France's energy transition legislation, coming into effect in 2020, which encourages waste reduction initiatives, 70% of the waste produced from building deconstruction activities will have to be recycled. The Group's business segments have identified several potential environmental and economic benefits in their response to this challenge and are continuing efforts to develop exemplary practices and operations in each of their activities. Various initiatives are already in place within the Group to take into account the guiding principles of the circular economy and eco-design. These include selecting sustainable materials in design phases, using less resources in the building of products, recovering and recycling materials (whereby waste is reintroduced into the production cycle as a secondary raw material), and using innovation to lengthen product lifecycles.

The Group Management Meeting, convened in May 2018 to discuss the circular economy, proved to be a key opportunity for raising awareness about this theme.

An example of the circular economy in action is the renovation of the former 3Suisse logistics platform, a ten-hectare site in Villeneuve-d'Ascq (northern France), where Linkcity and Bouygues Bâtiment Nord-Est have been making preparations to recycle or re-use (preferably on-site) the materials from the planned demolitions and renovations. The project plans to re-use the site's 10,000 m² solid-oak parquet flooring, thus saving the equivalent of two hundred 135-year-old oak trees. It will also re-use some 13,500 tonnes of aggregates reclaimed from the demolition of on-site logistics buildings.

Additionally, Bouygues Immobilier is carrying out a rehabilitation operation involving a former plant in a mixed-use neighbourhood in Bagneux (near Paris). This ranks as one of the most ambitious circular-economy operations by a private-sector developer in France. The work, completed in August 2017 and carried out in conjunction with Colas subsidiaries, selectively demolished virtually all the buildings, leading to the recycling of 97% of materials including all the concrete, equating to 25,000 tonnes, which was re-used on-site for backfilling after crushing.

Other Group solutions further the aims of the circular economy by making use of contributions from:

- the sharing economy (and mixing the use of space), which leads to optimised use of the goods and services offered by the Group, e.g. shared spaces in the neighbourhoods built by Bouygues (car parks, gardens, third places, etc.);
- and from scalable building design principles that facilitate reversibility as well as extensions and changes in use over the lifecycle of the building or infrastructure.

For example, Linkcity's Bâtiment K project in Lyon, situated in the new Eureka Confluence neighbourhood, aims to design a building capable of adapting to major urban changes at a lower cost using the dry-construction method³. Initially designed as office space, the building can be transformed into housing units once the motorway running through the area is downgraded to an urban thoroughfare.



Additionally, to discover new solutions in furtherance of the circular economy and sustainable urban

environments, the Bouygues group in 2016 initiated "Innovate Like a Start-up", an intrapreneurship programme spanning all of its business segments. This has led to the creation of several new activities, one of which is a digital platform listing the materials generated by deconstruction and renovation work. In 2019, the project will lead to the creation of a company owned jointly between Bouygues Construction, Colas and Suez.

For more than 30 years, Colas Ile-de-France Normandie has assimilated the fundamental challenge of responsible management of spoil and materials from sites of all kinds, as well as their recycling and re-use. It has done this by primarily developing a network of around 40 facilities – recycling platforms, sorting platforms for commercial users and inert waste storage facilities – across its region.

³ Construction method that does not require water, unlike the traditional "wet" method, resulting in lower energy consumption on worksites.

Premys, Colas Ile-de-France Normandie's deconstruction subsidiary, which operates throughout mainland France, recycles structural waste from buildings made primarily of concrete. This subsidiary is working to optimise the re-use or recycling of waste from interior building materials such as gutting, and in particular from selective waste sorting (ferrous and non-ferrous metals, computer room floors, wood flooring, wooden beams, false ceilings, furniture, etc.) so that they become a source of raw materials or equipment. Colas Île-de-France Normandie was able to recycle more than 1.45 million tonnes of materials in 2018, including 275,000 tonnes of reclaimed asphalt pavement from the deconstruction of former road surfaces.

3.3.3.1 Preventing and managing waste ^a

Recycling and reusing construction-related waste

Environmental management systems (e.g. ISO 14001), as well as internal standards (Ecosite and Top Site labels, Clean Worksite Charter and Colas checklists), make provision for responsible waste management. For example, one of the prerequisites for obtaining the Top Site label (which is awarded to Bouygues Construction's worksites) is sorting waste into at least three separate channels (inert waste, non-hazardous waste and hazardous waste) or more where required by local legislation. Bouygues Immobilier applies the Clean Worksite Charter^b, which makes on-site waste recycling mandatory using a waste management plan.

Bouygues group employees (from Bouygues Travaux Publics and Bouygues Immobilier) have helped produce a new instruction booklet on deconstruction and the repurposing of construction waste, in conjunction with Orée, an NGO. This booklet covers the entire deconstruction process and includes case studies and recommendations for each stakeholder concerned.

The business segments of the Bouygues group limit the production of waste arising from construction activities and promote recycling through several programmes.

Bouygues Construction rolls out programmes for reducing and recycling waste on construction sites, especially for civil works activities. Excavated materials are recovered for use as backfill or for the environmental rehabilitation of sites. Several of Bouygues Construction's operations re-use secondary raw materials directly on-site. For example, the La Maillerie development illustrates Bouygues Construction's strong commitment to re-using or repurposing on-site materials such as concrete, wood floors, lighting or shelving. Several R&D projects are currently investigating how to prevent waste. These include a selective deconstruction methodology, a zero-waste design and construction methodology and an investment calculation tool for preventing construction-site waste. Linkcity Ile-de-France is running a pilot project on the Bagneux-Mathurins development, in conjunction with Suez, using a digital model for the purposes of smart deconstruction.

Bouygues Construction has also forged partnerships with various circular-economy start-ups:

- Hesus is a networking platform connecting worksites offering spoil with those needing backfill.
- Circouleur recovers opened tins of paint from worksites to make new ones.

As part of the Grand Paris major infrastructure programme, nearly 200 kilometres of tunnels will be dug, producing 43 million tonnes of spoil to be removed. To monitor environmental impact and ensure traceability, Société du Grand Paris has set up a special platform as well as a process for managing and recycling waste. This web-based platform, TrEx, has three aims:

- store all information;
- standardise the inputting of data;
- make the information available in real time.

TrEx is aimed at firms that produce waste, transport firms and storage-site managers. Each digital form contains about 40 fields to fill in, including the quality of the spoil, the transport firm's identification number, the origin and destination of the spoil and so forth. The platform has been available since January 2017 and at the last count had nearly 200 users. It provides access to data corresponding to 1 million tonnes of spoil excavated in 2017. By mid-2018, the count was already 2.2 million tonnes. TrEx is now a mandatory part of all civil engineering contracts tendered by Société du Grand Paris.

Bouygues Travaux Publics and the BRGM^c are working on improving the understanding of trace metal mobility in excavated soil.

For its worksites, Bouygues Travaux Publics has designed a supplementary tracing system called Ubysol, which is currently in test phase on the Eole project. Ubysol uses vehicle geolocation to track the itinerary of waste plus type of waste, tonnage and place of discharge. This system not only provides productivity gains but also improves and increases the reliability of waste management processes. Ubysol uses the Objenious LoRaWAN™ connected objects network, operated by Bouygues Telecom.

Since 2016, Bouygues Immobilier has been part of the national multi-stakeholder Démoclès project, which offers guidance on deconstruction operations. In 2018, Bouygues Immobilier included the project's standard clauses in its own such operations, which has led to the application of principles promoting selective deconstruction and the repurposing of deconstruction materials.

Recycling and the circular economy are of vital importance to Colas, as shown by procedures for recovering and reprocessing of asphalt pavement from roadway deconstruction. Three indicators track this process. Since most of the materials that Colas uses are relatively heavy, recycling must be optimised at a very local level to minimise transportation requirements^d. This local dimension is behind this industrial ecology approach and there are many examples of how Colas has successfully brought quarries, recycling centres, mixing plants and other facilities on board with these initiatives.

^a Preventing food waste: given the type of businesses operated by the Bouygues group, this theme is not meaningful. Food waste is only an issue for institutional catering. However, it is mentioned specifically in some contracts with the catering providers servicing the Group's main head offices.

^b The Clean Worksite Charter applies to all of Bouygues Immobilier's commercial property developments and to residential developments that are NF Habitat HQE™-certified (see section 3.3.1.2).

^c France's geological and mining research office.

^d These considerations are determined from lifecycle analyses and carbon footprint calculations.

Amongst the products incorporating recycled materials is Ecomac[®], developed by Colas itself, is an ultra-thin bitumen emulsion concrete. Made mostly from recovered asphalt mixes, its low-temperature production process reduces energy consumption for the same durability.

Colas – a leading player in recycling and the circular economy

Colas is one of the world's five biggest recyclers across all sectors and types of material. As a leading producer and user of construction materials, Colas recycles and re-uses waste and site-demolition materials from its own road-building activities. It also recycles and re-uses waste and materials from other construction and public-works professionals and even other industries. This includes mirror glass waste, broken porcelain and shoe soles.

Aggregates are the commodity that human beings consume the most of, after water. Public works account for the bulk of this consumption, with road construction alone making up more than half of it. Aware of the responsibility that comes with this, Colas has been developing its recycling techniques for over 40 years and has disseminated them across all of the regions where it works. Today, 800 Colas sites transform used materials, primarily reclaimed asphalt pavement, to turn them into civil works materials. This avoids production of bitumen from a refinery, the operation of around 20 quarries worldwide and an even larger number of landfill sites.

This approach falls within the wider framework of the circular economy, thereby reducing construction costs, thus saving on materials, as well as transportation and energy (carbon). By aiming for a zero-waste approach in its civil works activities, Colas enables each region to rebuild using its own materials.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Recycled materials in relation to the volume of aggregates produced	Global	Asphalt mix and aggregate production activities, and railway worksites	10%	12%	This ratio edged down by 2 points between 2017 and 2018, due to a sharp rise in aggregates produced (up 12%) and a small drop in the quantity of materials recycled a (down 1%). Countries in the international scope saw the most significant increase in the volume of materials recycled (up 26%).
Asphalt pavement recycled in order to reclaim bitumen ^b	Global	Materials production activities	15%	15%	This indicator was stable in 2018. the quantity of asphalt pavement recycled increased by 2% and asphalt production rose 5%, but these positive trends were not sufficient to deliver a positive change in the overall indicator.
Surface area of road pavement recycled in-place million m ²	Global	Worksites activities	3.3	3.6	The surface area of road pavement recycled in place by Colas subsidiaries decreased by 4% in 2018 versus 2017. The 5% increase in this indicator in the international scope overall was unable to make up for the fall at the Canadian subsidiaries, which accounted for more than one-third of this production in 2017. The reduction seen in Canada in 2018 was due to the completion of construction projects using this technology.

(a) The industry consensus holds that the target recycling rate for asphalt pavement (in order for all the asphalt pavement from milling or deconstruction to be considered recycled) is between 20% and 25% in OECD countries, with this rate varying in accordance according to urban density and the technologies employed by project owners. Colas has therefore achieved three-fourths of its estimated recycling potential, with some subsidiaries in Belgium, Switzerland, France, the US and Canada achieving this maximum ratio in 2016. There has been slower progress, however, in countries where recycling is less of a priority.

(b) The auditor indicates that it has obtained reasonable assurance for the 2018 indicator.

Colas indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Waste oil recovery rate	Global	All activities	65%	61%	Used hydraulic and motor lubrication oil, the main hazardous waste item generated by Colas in the course of its operations, is disposed of through a certified channel or processed responsibly. The general consensus is that the optimum waste oil recovery rate is around 80%, given that oil that is consumed and burned by vehicles and machines. Colas' ratio increased by 4 points in 2018.

Bouygues Construction indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Non-hazardous waste that is recycled	Global excluding earthworks and Bouygues Energies & Services	77% of Bouygues Construction's consolidated sales	58%	63%	Bouygues Construction is committed to recycling and ensures that traceability solutions are used. This encourages employees to take responsibility for the conditions in which non-hazardous waste is collected, transported and recycled. The decrease in this level is due to a change in methodology, as spoil is no longer counted in this indicator. Bouygues Travaux Publics, which aims to repurpose a large part of its spoil, weighed heavily in this indicator. This is an important issue for Bouygues Construction, as evidenced by the fact that 80% of worksite waste across France is recycled.
Percentage of spoil recycled	Global civil works activity	26% of Bouygues Construction's consolidated sales	73%	66%	Spoil represents most of the waste produced by Bouygues Travaux Publics through excavation, tunnelling and earthworks. There was a sharp improvement in 2018 due to Bouygues Construction Australia, which accounted for a large part of the figure. This operating unit represents over half the total volume of spoil excavated, achieving a recycling rate of 98% under application of local regulations.

Soil decontamination

Through its subsidiaries Colas Environnement and Brézillon, the Bouygues group offers soil decontamination solutions. With over 1,000 worksites to its name, Colas Environnement has experience in most decontamination techniques. It is chiefly renowned for the high performance and reliability of its on-site treatment systems. It is also known for its transparency. It is the first company to have gained ISO 9001, ISO 14001 and OHSAS 18001 certifications. In addition to this trio of accreditations obtained in 2001, it has also been MASE^a-compliant since 2010.

Brézillon implemented a platform for transporting, sifting and recycling contaminated soil in February 2017. At the end of 2018, the platform had handled a total of 105,000 tonnes in contaminated soil (45,000 tonnes in 2017 and 60,000 tonnes in 2018). Once received and checked, the materials are analysed by an external inspection agency. Inert materials are then repurposed on construction sites and intrinsically polluted materials are redirected for final disposal.

^a A manual on improving health & safety and environmental issues within companies.

Colas, winner of the 2018 BIM d'or award for decontamination of the Dunkirk refinery

The deconstruction and decontamination of the Dunkirk refinery is a large-scale task (surface area of 95 hectares, 35 km of underground piping, 200 vats and even unexploded WWII-era bombs). Developing an acceptable strategy for decontaminating the site, which is due to be returned to the Port of Dunkirk, is a major challenge because of all the information that must be managed and cross-checked.

To meet this challenge, Colas used a BIM digital model integrating all the underground data, including buried structures and their blueprints (from a variety of time periods), aquifer monitoring data, geological data, the results of water and soil pollution tests, bomb impact maps and topographical surveys. The BIM resource was then used to automatically detect inconsistencies, target additional diagnostics needs and interpolate pollution data.

This development work enables Colas to create an increasingly accurate underground image, tackle remaining uncertainties, put forward a number of decontamination strategies and, later, monitor the work and the corresponding spaces. In the end, Colas will be able to provide the owner of the land with a reliable 3D audit in a standardised format. This smart document will then be usable by the owner for future site developments.

BIM applied to underground works enables better collaboration by facilitating the exploration of multiple scenarios, whose assumptions are then clearly stated. Decisions can then be made amid full transparency, which acts as a safeguard for negotiations. Finally, sites can be monitored over time, even if they pass through the hands of several operators.

Implementation within three months and use of this huge digital resource (1 terabyte at end-2018) would not have been possible without the work of a top-notch team combining both Colas' internal experts (in particular from BIMbyCo and Colas Environnement) and external service providers, who oversaw mapping, digitalisation, topography, site engineering and the management of contaminated soil.

In France, the BIM awards jury handed its 2018 gold award to Colas for the world's first-ever application of BIM to underground challenges. It also recognised the quality of the technical developments and the philosophy of collaborative openness that was central to the process.

Measures for preventing or re-using other types of waste

Although construction-related waste is the chief challenge due to the volumes involved and the environmental impacts, other types of waste arising in the course of the Bouygues group's operations must also be tightly managed.

From their offices, all the Group's business segments produce waste electrical and electronic equipment (WEEE), e.g. CPUs, laptops, screens, printers and servers, which are collected and then re-used or recycled. Processing WEEE is therefore a challenge common to the whole Group. In France, this has been entrusted to ATF Gaia, a disability-friendly company, since 2010. Starting in late 2015, the Group entrusted part of this task to another company, Nodixia, to ensure better national coverage. Since the start of these contracts, this initiative has collected 120,811 items of equipment (of which 21,891 between October 2017 and September 2018). In total, 30% of the 971 tonnes of collected waste equipment was destroyed and 70% re-used.

At the same time, Bouygues Telecom has its own recycling channel as well as a right of first refusal on telecoms and data centre equipment that is no longer used at their original sites. Whenever it has to dismantle sites, Bouygues Telecom's first action is to analyse the on-site hardware closely and, where possible, assign it for re-use. Hardware that is not re-used is sold on after reconditioning. Items that cannot be sold on are recycled by specialists in Europe. This policy has been important in the dismantling arising from the network sharing agreement with SFR (see section 3.3.3.2). Nearly 98% of the hardware from this dismantling has been re-used or recycled.

As early as 2004, Bouygues Telecom became the first telecoms operator in France to offer a service for collecting and recycling mobile handsets, irrespective of operator or brand of handset. Handsets can be turned in through all distribution channels. Since 2011, this service has been supplemented by a page on the Bouygues Telecom website devoted to the sale of pre-owned handsets, through its partnership with Recommerce.

Results of the first national campaign for collecting and recycling pre-owned mobile handsets by Bouygues Telecom

In October 2017, Bouygues Telecom partnered with WWF France, Suez, Samsung and Recommerce (a mobile phone reconditioning pioneer) to run a national campaign for collecting pre-owned mobile handsets for re-use or recycling. This campaign raised awareness among employees and the general public about the importance of handing in mobile phones within the larger context of the circular economy.

More than 27,000 handsets were collected, including 2,000 at the offices of the Bouygues group or its campaign partners. The vast majority were collected through the 400 participating Bouygues Telecom stores located throughout the country.

Among the handsets that were handed in:

- 8,300 were resold by Recommerce, thereby avoiding 250 tonnes of CO₂ eq. (30 kg CO₂ eq. per mobile), all covered by warranties, certifications and the RCube label.
- 19,000 were recycled by Suez. The materials contained inside were processed and the raw materials recovered for re-use in manufacturing other goods (e.g. household appliances or motor vehicles). Non-recyclable materials were placed in a waste-to-energy process.

Bouygues Telecom indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Handsets collected for recycling or re-use (number of handsets)	France	100% of Bouygues Telecom's consolidated sales	270,521	252,023	The increase resulted from higher collection volumes from customers in response to the nationwide drive in October 2017 and the option provided to customers to part exchange their old handset when buying a new one Bouygues Telecom's web site.

From customers (Bouygues Telecom stores, general public and corporate websites, employees)	251,928	215,632	Showed an increase: <ul style="list-style-type: none"> • nationwide campaign for collecting used handsets in October 2017, leading to a 27,000 increase during the two weeks of the campaign. • handset collection made possible through the Bouygues Telecom website.
Through the after-sales service	18,593	36,391	Slower renewal rates for mobile phones.

3.3.3.2 Using resources sustainably

Energy, raw materials (such as timber and aggregates) and water are the natural resources that are vital to the Bouygues group's construction businesses.



So that requirements can be calculated precisely and utilisation optimised, digital technology such as BIM and specific lean management

procedures are being steadily deployed in Group entities.

Selecting and managing raw materials

To draw less on natural resources, those business segments concerned have pinpointed two major avenues:

- optimisation of resource utilisation (through eco-design and recycling);
- giving priority to sustainably-sourced resources (e.g. certified products).

Additionally, the Group dialogues with customers to ensure that secondary raw materials, i.e. those derived from recycling or re-use, are used as much as possible in buildings and infrastructure.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Volume of recycled materials millions of tonnes	Global	Asphalt mix and aggregate production activities, and railway worksites	9	9	The volume recycled materials was stable in 2018.
Volume of aggregates from recycled pavement millions of tonnes	Global	Materials production activities	6	5.8	Volume of reclaimed asphalt pavement was up 2%. The industry consensus holds that the maximum recycling ratio achievable for all asphalt mix excavated or planed off the road is between 20% and 25% in OECD countries, with this rate varying locally in accordance with urban density and the technologies employed by project owners. Colas has therefore achieved three-fourths of its estimated potential, with some subsidiaries in Canada, the US and Belgium achieving this volume in 2018.

When new materials have to be obtained, the Group works to make sure its supply chains are reliable and responsible.

Bouygues Construction is trialling alternative construction methods and has developed its expertise in the use of timber – the material with the smallest carbon footprint – in its projects. Almost 100 timber construction projects (new or rehabilitated) have been completed in France, Switzerland and the UK since 2005.

Bouygues Construction is consequently buying more and more timber products for its construction sites. A partnership agreement with WWF France, which was renewed for a further three years in 2017, aims to ensure that timber purchases do not threaten the world's forests, individuals who depend on these forests and the biodiversity that they shelter. It eradicates potentially illegal timber from the supply chain and makes purchasing more responsible, considering that more and more certified timber is procured, especially with the FSC certification®. Given the volume of materials purchased and its position as a sustainable construction specialist, Bouygues Construction has an important role to play in the development of the sustainable timber sector.

In 2017, Bouygues Immobilier signed an agreement with Karibati, a consultancy that helps companies integrate bio-sourced materials into their property development projects.

Bouygues Immobilier was also a winner in the 2018 “Grand Paris Circulaire” call for projects, and presented two of its emblematic projects located near Paris at the related symposium:

- the selective deconstruction of a former industrial site in Bagneux prior to its conversion into an eco-neighbourhood;
- Sways, a project for rehabilitating a commercial building in Issy-les-Moulineaux.

Promoting eco-friendly alternatives to optimise use of raw materials

Bouygues Construction and Colas offer eco-friendly alternatives to customers for lessening the impact on the environment. Eco-friendly alternatives save on materials and have better energy efficiency and lower greenhouse gas emissions than basic solutions.

Colas has long led the way in designing low-carbon alternatives and developing eco-comparison tools for assessing these alternatives.

In France, these efforts have culminated in the Seve[®] eco-comparison tool, a software solution that is used in the tender process to conduct an environmental assessment of the various development and maintenance phases for road and earthworks projects. It has seven quantitative criteria, including CO₂ emissions. It compares the standard solution with a design variant that can then be proposed to the client, showing its environmental benefits relative to the standard solution for each criterion.

The road industry and the EU are working to see how Seve[®] can be applied internationally – something with which Colas is actively involved. In 2017, the SustainEuroRoad project, 50%-grant funded under the EU’s Life project, was audited by the European Commission. It was stated that there are no other projects of this type in road construction and it stands out by being a project that helps to make contracting more objective. The European Commission’s Directorate-General for the Environment has referred to the possibility of reducing greenhouse gas emissions by more than 50%, energy consumption by 70% and consumption of natural resources by similar proportions by using this software. In 2018, SustainEuroRoad enabled the creation of a new pan-European database and demonstrators at worksites and production sites across Europe (Germany, Spain, France and Hungary). Its aim is to support GPP (Green Public Procurement)^a in its efforts to introduce environmental criteria, on a voluntary basis, into public procurement. The software is changing continually in response to users’ comments so that it aligns as closely as possible with the reality on worksites.

In today’s challenging economic climate, the decline in the number of low-carbon alternatives reflects the current state of the market, which is becoming less open to alternatives every year. The proportion of greenhouse gas emissions avoided declined by 5% in 2018 whilst the number of selected low-carbon alternatives remained stable. Within the industry, Colas is playing an active part in efforts to give new impetus to eco-friendly alternatives.

Considered an important avenue for differentiation in international operations, eco-friendly alternatives are used by Bouygues Bâtiment International in its projects.

To include carbon emissions levels as a decision-support indicator in its projects, Bouygues Immobilier has introduced a tool for calculating the greenhouse gas emissions of property development projects that is compatible with the E+C- regulatory framework. This makes it possible to assess the carbon footprint starting from pre-project phase and evaluate project compatibility with carbon targets contained in E+C-. Using this tool also has the advantage of raising awareness among operational managers about carbon compatibility, in turn promoting the selection of low-carbon materials and construction methods.

Eco-design

To reduce the need for raw materials, which draw on the ecosystem, the Bouygues group’s business segments are conducting research or using a variety of techniques for the eco-design of products.

Research by laboratories at Colas aims to develop eco-friendly binders by applying the principles of “green chemistry”, for example by introducing components bio-sourced from marine and forestry assets, reducing temperatures and limiting greenhouse gas emissions. This work focuses on using waste and renewable raw materials that have no adverse impact on the production of human food resources.

Bouygues Telecom is lengthening the useful life of its Bbox router by adhering to eco-design principles (optimising materials and ensuring their reliability, minimising components and reducing power drain) and by operating a policy for repairing and reusing this hardware. Consequently, the average useful life of a Bbox router is between eight and ten years^b.

^a An EU initiative.

^b Based on after-sales data and the entire installed base.

Sensations: an exemplary development, due to its timber construction and bio-sourced materials, by Bouygues Immobilier

Sensations, part of the Ilôt Bois programme – situated in the Deux Rives neighbourhood in eastern Strasbourg – is exemplary on account of its low-carbon construction, most notably for the use of bio-sourced materials. The project consists of 146 apartments in three buildings.

A feature of Sensations is that it is the first high-rise residential development to have its floors, façades, and stair and lift cores made entirely of wood. In addition, consideration was given to means of improving the indoor air quality of the apartments by aiming to use materials with low pollutant emission levels: the false ceilings eliminate 80% of the principal volatile organic compounds (VOC), wall paints are “class A+, low solvent emissions”, and floor coverings are made from mostly natural and recyclable materials.

Affordable thermal comfort is offered to future occupants through the use of a reversible floor system that will cover heating requirements in winter and provide cooling in summer. In winter, a heat pump harnesses natural energy from the Rhine valley water-table, relaying it through the heating element below the floor screed. It also pre-heats domestic hot water. In summer, a system harnesses coolness from the ground to lower the ambient temperature.

All the innovative technologies used in this development will ensure a passive energy score, with heating needs not exceeding 15 kWh/m² of living area annually. The foundations of this exemplary low carbon project are:

- timber construction using bio-sourced materials where possible;
- soft modes of transport, including a bike room, with cars kept away from open spaces;
- power supplied to internal fixtures by renewable energy.

The project’s CO₂ emissions, over the entire lifetime, related to the impact from materials amount to 522 kg CO₂/m² of floor area. Relative to existing carbon certifications, the project is equivalent to level C2 of the E+C- label. An application has been made to obtain the BBCA Performance label.

In October 2018, Bouygues Immobilier won the “Trophée Habitat” at the “Trophées du Cadre de Vie” awards ceremony, organised by FimBACTE, for Sensations – Strasbourg Deux Rives. It was awarded by Saint-Gobain.

Energy efficiency

Bouygues takes part in the energy transition through its expertise in active and passive energy efficiency in buildings and the operation of buildings under performance guarantees.

Promoting effective energy-saving solutions

The environmental certifications that the Group promotes for adoption include energy-saving targets. Energy Performance Contracts (EPC) give occupants guarantees on the energy consumption of their premises, for the duration of the contract. More and more residential properties and offices are being handed over with EPCs. Bouygues Immobilier offers clients the possibility of applying EPCs to all its Green Office® developments.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Projects in the order intake where energy performance commitments are included in the contract	Energy and Services activities	22% of Bouygues Construction’s consolidated sales	13%	16%	Bouygues Energies & Services markets offers that include energy-performance commitments, particularly in the form of Energy Performance Contracts (EPC). The indicator edged down mainly because of the change in type of project in the order intake in 2018.

The Bouygues group’s business segments offer customers innovative but competitively priced services for optimising energy consumption. Most notably, they have built up expertise in the design of passive-energy buildings, positive-energy buildings, rehabilitation, urban services and energy performance management.

- **Passive-energy buildings:** Bouygues Immobilier has developed expertise in the design of passive-energy buildings (which consume less than 15 kWh/ m² per year for their indoor heating).
- **Positive-energy building:** in the commercial property segment, the Green Office® brand – launched in 2007 – enshrines Bouygues Immobilier’s strategy for office buildings that are positive energy thanks to the use of renewable energy and bio-climatic design. Since its inception, 11 developments have been handed over.
- **Rehabilitation:** Bouygues Construction and Bouygues Immobilier have also perfected rehabilitation methods. In 2009, Bouygues Immobilier launched the Rehagreen® service package for commercial property. Based on a comprehensive multi-criteria assessment of the building, covering technical, energy, planning, regulatory, commercial and other aspects, the purpose of the service is to identify and implement the rehabilitation scenario which most precisely meets the owner’s enhancement objectives and the demands of the commercial property market, while respecting the building’s architectural heritage. If the owner so wishes, the operation can be designed to fulfil the most exacting certification requirements (HQE®, BREEAM® and LEED®).

In 2018, Bouygues Construction launched “Wizom Réhabilitation”, a new solution for rehabilitating residential property that includes environmental commitments, energy-performance guarantees and resident outreach on key issues. These developments, handed over in 2018, reduce energy consumption by 40-45% depending on the residence, backed by a 15-year commitment.

In 2018, Bouygues Immobilier began gutting work for the Rehagreen® rehabilitation project called Sways (Smart Ways to Work), located just outside Paris. This project,

which is transforming a former commercial building, has been designed to help occupants navigate new digital technologies and discover new ways of working (either alone or in groups), taking meals and relaxing. Additionally, this office building's reversibility (i.e. it could be transformed into housing) gives it a longer theoretical life. Spaces are modular, adaptable and can be easily linked together, so they can be used more intensively. If these factors are included in the architectural design and properly planned for, demand for materials is reduced and denser urban planning is enabled. It is also matches client expectations more closely.

- **Energy efficiency management:** in order to reduce consumption, Bouygues Energies & Services and Bouygues Immobilier have developed and marketed tools for measuring and managing energy performance for their customers (Hypervision[®], Flexom and Si@go[®]).

The Group's business segments also offer energy-performance solutions for local authorities. For example, Bouygues Immobilier ran the pilot phase for IssyGrid[®], France's first district smart-grid demonstrator, in Issy-les-Moulineaux near Paris. In 2017, IssyGrid[®] was awarded the top prize in the Green Solutions Awards, in the sustainable infrastructure category. Thanks to this pilot project, Bouygues Immobilier is now capable of offering smart grids on all large projects. It also designs sustainable neighbourhoods to be smart-grid ready, prepared for full-scale installations in the years ahead. For the Nanterre Cœur Université development, designed by UrbanEra[®] (the Major Urban Projects division of Bouygues Immobilier), attention has been paid to building design and optimised energy management, with the inclusion of a smart grid and a solution developed in partnership with EDF Optimal Solutions. In total, 60% of the neighbourhood's energy is provided by a warm-water loop harnessing ground-source heat. Other components in the energy mix are bio-fluid cogeneration, photovoltaic panels and grey-water heat recovery.

Embix, a start-up founded by the Bouygues group specialising in neighbourhood-wide smart grids, has assisted in several emblematic smart-grid projects such as IssyGrid[®] and, more recently, Clichy-Batignolles.

Bouygues Immobilier in late 2016 teamed up with Stratum and Energisme to add blockchain³ to its smart-grid projects. The point of this technology is that it can enable solar energy produced by each building to be used within the neighbourhood. The future Lyon Confluence eco-neighbourhood, a sustainable-city demonstrator developed by a Bouygues-led consortium since 2016, will be the first test site for this technology.

Objenious, a Bouygues Telecom subsidiary that uses LoRa[®] technology to connect devices, works with business partners to offer a range of solutions for saving energy, reducing carbon footprints and supporting sustainable mobility.

The Internet of Things for the sustainable urban environment

Through its IoT subsidiary, Objenious, Bouygues Telecom was the first French operator to roll out a nationwide network designed for connected objects, based on LoRa[®] (or Long Range) technology, using 4,300 antennas to cover 95% of the population.

Objenious and its partner network offer several solutions for promoting sustainable urban environments.

Smart energy-saving solutions offer an immediate and easily quantifiable return on investment. For instance, the Apt group of municipalities has extended remote meter reading to cover its entire area. This service is free for consumers and allows them to track consumption and set their own warning thresholds and notification method.

The City of Montpellier has introduced a smart-parking system to assist in finding spaces, preventing traffic jams and reducing carbon footprints and to offer inhabitants new services. Having this real-time information reduces vehicle-fuel consumption relating to the search for parking spaces by 20-30% as well as lowering pollution (including noise pollution).

By equipping its self-service bicycles with an antenna, the City of Montpellier is able to retrieve comprehensive geolocation data, which is then used to identify the most frequented routes. As a result, infrastructure can be planned based on actual usage and to encourage soft mobility.

In Bordeaux, Bouygues Telecom on 3 July 2018 ran the first real-life test for 5G, using two specially equipped antenna to test the new possibilities afforded by this technology such as remote control of vehicles, telemedicine and remote maintenance.

To identify novel uses of smart technology, the Bouygues group has created a 5G accelerator, which houses under one roof all its initiatives relating to smart mobility, smart city, smart building and smart entertainment – fields in which it is extremely active.

- **Urban services:** Bouygues Energies & Services, a subsidiary of Bouygues Construction, has developed a platform enabling local authorities to manage the energy of all their buildings and network infrastructure in order to reduce consumption. Other innovative services, also aiming to make urban environments more sustainable, include the following:

- the Citybox[®] solution, directly connected to lamp posts, converts street lighting systems into a broadband network that, in addition to reducing energy consumption, offers digital services such as Wifi, CCTV and sound systems. At the latest count, this solution remotely managed close to 55,000 street lamps.
- the Citycharge[®] solution, which installs electric vehicle charge points on lamp posts, makes it easier to roll out electric mobility solutions.
- Alizé[®] is a solution offering charge points for electric vehicles aimed at local authorities and businesses, using real-time smart management.

³ A data transmission and storage technology.

Bouygues Energies & Services builds France's first smart city in Dijon

The Dijon metropolitan authority has awarded a contract to install and manage urban infrastructure to a consortium made up of Bouygues Energies & Services, Suez, Capgemini and Citelum (an EDF subsidiary), which will provide new services to the 253,000 inhabitants of Dijon and its surrounding area (24 municipalities).

The metropolitan area will have a single connected control centre for remotely managing services and public infrastructure so that all zones can be interconnected. Through these innovations, residents will gain in quality of life:

- a new, safer street lighting system: more than 34,000 street lamps will be modernised. Using the Citybox® technology, the street lamps will also provide digital services such as Wifi access, CCTV surveillance and electric charge points for devices;
- real-time traffic information, including smart car parking that guides drivers to free spaces. This will be a city-wide operation thanks to sensors connected to the LoRa network;
- a more fluid bus network, enabled by road-network regulation and priority to public transport (113 road junctions will give priority to buses);
- real-time information about shops and events on mobile apps and connected billboards.

Work started in summer 2018 with the replacement of traffic lights to streamline traffic flows. The control centre will enter into service in early 2019.

Additionally, the city's operations will adapt to the new usage habits. For example, residents will be able to notify an accident using a special app. Close to 330 geolocated/radio-equipped vehicles and 270 cameras will improve the effectiveness and enhance coordination between services (technical services, fire brigade and police). Over time, these innovations will save on public expenditure for the Dijon metropolitan authority. For example, a 65% reduction in energy consumption is forecast through the use of LED lighting, while maintenance expenditure is expected to be halved.

Bouygues Immobilier indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Surface area of Green Office® commercial property developments in operation during the reporting period in m²	France and subsidiaries	94.8% of Bouygues Immobilier's consolidated sales	84,398	127,181	In 2018, work was still ongoing for phases two or three of Nanterre Cœur Université, Green Office® Batignolles, the Trigone Quart Opale development (in Issy-les-Moulineaux), Green Office® Meudon Gaupillat and phase B of Green Office® Spring (in Nanterre), totalling a floor area of 84,398 m².
Number of passive/positive-energy homes being built or handed over in the full year	Global	100% of Bouygues Immobilier's consolidated sales	374	238	Sensations and Ambitions, respectively comprising 146 passive-energy and 74 positive-energy housing units, joined the ranks of Symbios and Parc de Flore, which were still under construction in 2018, resulting in a total of 374 passive/positive-energy units either handed over or ongoing during the year.
Number of smart grids to be rolled out	France excluding subsidiaries	89% of Bouygues Immobilier's consolidated sales	6	6	The six smart grids under development span a surface area of 617,400 m².

Reducing the energy consumption of business activities

The Group's business segments are implementing programmes to help limit or reduce energy consumption arising from their operations (most notably Ecosite and Top Site at Bouygues Construction).

At Colas, energy consumption comes in a variety of forms, from fuel purchased for machinery to electricity consumption at quarries. The cLEANergie (Colas Lean in energy) programme was run between 2014 and 2017 to provide Colas with a measuring and monitoring tool aimed at reducing the energy used by operations, from construction and production sites to buildings and logistics.

Roll-out this programme mainly revealed that the energy consumed by asphalt plant burners, vehicles and construction machines together accounted for three-quarters of Colas' direct energy consumption in almost equal proportions.

In order to better control its energy consumption, Colas is focusing its efforts on:

- measurement tools, with software currently being deployed to monitor the energy consumption of asphalt mixing plants. It can track energy consumption and mix temperatures in real time, and send alerts over the internet and to smartphones. These tools were being used by about 33% of Colas' asphalt plants at end-2018;
- employee involvement, with on-board and tracking systems being rolled out to monitor consumption of site machinery and vehicles, including training on eco-driving. Using these arrangements, Colas aims to reduce fuel consumption by 20%.

- the use of renewable energy to power installations in some regions: for example, on Reunion Island, Colas subsidiary GTOI has equipped the roofs of several depot buildings with 6,600 m² of solar panels. This solar farm has been connected to the local power grid since 2009.

Additionally, it has been observed that, in addition to low-carbon alternatives, the following help achieve indirect energy savings:

- warm asphalt mixes, which save some 15% in production-related energy relative to hot mixes. In 2018, warm asphalt mixes produced by Colas accounted for 22% of total output. All employees are ready to start expanding the use of these products across all areas.
- recycled materials, and especially reclaimed asphalt pavement (planed materials from old road pavement), which save bitumen and aggregates and reduces production and transport costs;
- in-place recycling, which also saves energy by reducing the need for materials and transport.

At Colas, the programme for controlling and reducing energy consumption meets several sustainable development challenges; economic (including financial savings), environmental and safety.

For its own transport requirements, Colas also uses rail and inland waterways as an alternative to road haulage. The quantity of materials transported by rail or waterway is equivalent to nearly 3,100 freight trains (with each train containing 44 freight wagons), which avoids using some 280,000 thirty-tonne trucks.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Energy used per tonne of asphalt mix produced (KWh per tonne)	Global	Asphalt mix production activities	78	78	Colas systematically and carefully measures and monitors the fuel consumption of asphalt plant burners at more than 400 plants. Although both the production of asphalt mix and energy consumption by asphalt plants increased slightly in 2018, greenhouse gas emissions remained stable year-on-year.
Warm- and low-temperature asphalt mixes	Global	Asphalt mix production activities	22%	23%	Despite a slight decline in warm mix production this year, all employees remain committed to expanding the use of these products across all regions, adapting production tools and conducting ongoing research to develop new technical solutions that enable lower product temperatures, with the knowledge that the health-related benefits are also substantial. In 2018 as in 2017, the US subsidiaries achieved the highest levels, with the fine example of Branscome Inc., where warm mix accounted for 100% of production during the year.
Total energy costs (in millions of euros)	Global	All activities	427	375	At Colas, energy costs rose by 14% in 2018. These upward movements must be considered in light of the 6% increase in materials production sales before inter-company eliminations as well as the rise in energy costs.
Total energy consumption (millions of MWh)	Global	All activities	7.6	7.4	At Colas, energy consumption rose by 3% in 2018. These upward movements must be considered in light of the 6% increase in materials production sales before inter-company eliminations.

Bouygues Telecom has implemented energy management systems and now has three ISO 50001-certified (energy management system) sites: Technopôle, the Printania customer relations centre and the Montigny-le-Bretonneux data centre (near Paris). At the data centre, a self-managing free-cooling system was installed on cooling units, drawing in fresh air from outside whenever the temperature drops below 9°C. Other best practices were also implemented, including regulating the air-conditioning units and shutting some off when weather conditions permit (40% of a data centre's overall electricity consumption relates to cooling).

Bouygues Telecom indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Total electricity consumption in GWh	France	100% of Bouygues Telecom's consolidated sales	555	562	The change relative to 2017 is hard to analyse at first glance, as data measuring mobile network consumption in the meantime became more reliable thanks to the equipment-monitoring project starting in 2018 (mobile networks represent 70% of total electricity consumption). One explanation may be the decreased number of sites subsequent to network sharing agreements. In contrast, average consumption per site increased marginally following capacity additions, a higher volume of data traffic and new customer acquisitions. Consumption decreased in data centres (8% of total electricity consumption) on a like-for-like basis thanks to the implementation of energy-efficient solutions and equipment, as well as in Bouygues Telecom stores (due to digitisation of processes and the universal use of LED lighting).

Promoting renewable energy sources

As far as possible, the Bouygues group's business segments use renewable energy sources as a way of reducing the energy footprints of their activities and of the products they use.



Bouygues Construction and Bouygues Immobilier have made positive-energy structures a major part of their business strategy, in order

to prepare for the 2020 "Bâtiment Responsable" (responsible building) regulations. Positive-energy buildings produce more energy – much of which is solar, biomass or geothermal – than they consume. Challenger, the headquarters of Bouygues Construction^a, was transformed into a positive-energy building during its renovation. The new Colas head office, Prism', has received Bepos-Effnergie 2013 certification.

Hikari, developed by Bouygues Immobilier in Lyon, is France's first positive-energy mixed-use development. All energy used in the development is renewably-sourced. Photovoltaic panels have been placed on the roof and façades. It is also equipped with a geothermal system and has a cogeneration power plant fuelled by locally produced rapeseed oil. Energy production and usage are pooled through an energy communication network. Electricity is also stored on batteries to deal with peak loads.

Finally, Bouygues Energies & Services, part of Bouygues Construction, has, since 2012, been developing bespoke projects around the globe in renewable power generation, from photovoltaic and biomass to thermal and wind power.

On 8 November 2018, the world's first agrivoltaic demonstrator was opened in the Western Pyrenees. This solar farm was developed by Bouygues Energies & Services and will sustainably improve crop yields while at the same time generating renewable energy. It will produce electric power equivalent to the consumption of more than 650 homes and will save 3,000 tonnes of CO2 emissions.

In addition, France's first offshore wind turbine – Floatgen – has been operational since September 2018. It is situated 22 km offshore from Le Croisic, off France's Atlantic coast, and was developed by Bouygues Travaux Publics.

The solar road developed by Colas, Wattway, is an example of the solutions that the Group can provide that use renewable energy sources as a way of reducing the energy footprints of its activities.

Water consumption in accordance with local conditions

The issue of water consumption varies in importance from one part of the world to another, depending on whether operations are situated in arid or temperate regions. Generally speaking, business segments within the Bouygues group are responsible for taking local water constraints into consideration. How water is managed is one of the criteria of the ISO 14001 standard and is contained in internal standards (Ecosite, Top Site and checklists).



Bouygues Construction and Colas are those most exposed to water-consumption issues in sensitive areas. Bouygues Construction is

implementing specific measures to safeguard water resources through the use of special equipment, water re-use, consumption tracking and awareness-raising among employees and business partners.

^a Challenger was the first building in the world to have achieved triple certification at the highest level in each case: HQE™ Passeport Bâtiment Durable - Exceptionnel level, LEED® Platinum and BREEAM® Outstanding.

For example, its subsidiary Bouygues Travaux Publics has put in place systems, wherever possible, for recycling wastewater from concrete batching plants and liquid mud plants in order to water grounds, clean tunnel boring machines and produce concrete.

In 2015, Colas introduced new indicators to measure and limit the pressure exerted on water resources by its operations in regions where water is extremely scarce. For these regions, water consumption by Colas' permanent facilities is estimated at approximately 909,000 m³ in 2018. In order to limit the pressure exerted by Colas on water resources in dry regions, action plans aim to increase water self-sufficiency, encourage recycling and reduce waste. Additionally, the Colas Campus provides specially designed training courses for employees (site supervisors, foremen, engineering consultants, environment managers) on water legislation.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Share of permanent activities located in extremely water-stressed areas % of sales before inter-company eliminations	Global	100% of the sales (before inter-company eliminations) of the permanent activities	6%	5%	Colas group's permanent facilities located in extremely water-stressed areas are in Canada (Saskatchewan), the US (California and Wyoming), South Africa, Zambia, Namibia, Guadeloupe, Martinique, Ireland, India, Morocco, the Middle East, Chile and mainland France (Normandy). These facilities consist mainly of quarries and gravel pits but also include workshops, binder plants, depots, asphalt mixing plants, ready-mix concrete plants and recycling platforms.
Water self-sufficiency rate in extremely water-stressed areas % of m ³	Global	100% of the sales (before inter-company eliminations) of the permanent activities in highly water-stressed areas	73%	61%	In addition to reducing water consumption in these localities, a key objective for Colas is to increase water self-sufficiency so as to minimise disruption of the water cycle and downstream water use. The water self-sufficiency indicator for 2018 was 73%, which was 12 points better than in 2017. The water used is therefore not drawn from the local water system. Consequently, this usage has a low impact on water resources, allowing ample access by other users.
Share of sales before inter-company eliminations in extremely water-stressed areas where an action plan has been implemented % of sales before inter-company eliminations	Global	100% of the sales (before inter-company eliminations) of the permanent activities in highly water-stressed areas	76%	58%	Colas uses this indicator to drive continuous improvement in monitoring and reducing pressure on water resources in highly water-stressed areas. Action plans are increasingly being implemented where needed.

Additionally, Bouygues Construction and Bouygues Immobilier strive to promote building environmental certifications (NF Bâtiments tertiaires - Démarche HQE[®] and NF Habitat HQE[™]), which have a section on responsible water management in a building's operational phase, covering drinking water management, rainwater recovery as well as wastewater and rainwater management.

3.3.4 Climate change

In March 2017, the Bouygues group – alongside 80 companies and around 40 eminent people – signed the manifesto promoted by The Shift Project. The manifesto, containing nine proposals to decarbonise Europe, calls on European countries to act now and propose policies to achieve a level of greenhouse gas emissions as close to zero as possible by 2050. It was issued in the wake of the Paris climate accord and aims to encourage Europe to reinvent its economy, most notably by limiting dependency on transport, construction and fossil fuel-related industrial activities. In this context, the Bouygues group has pledged to implement coherent and tangible actions able to meet the challenges of climate change and the need to preserve natural resources.

3.3.4.1 Measuring greenhouse gas emissions and material impacts of business activities and products on climate change

The Bouygues group's business segments audit their carbon emissions pursuant to Article 75 of the Grenelle II law. In 2017, to keep in step with regulatory changes and identify major sources of greenhouse gas emissions, particularly those generated by the use of the goods and services produced by its business segments, the Bouygues group started expanding its carbon reporting to include scope 3b where appropriate and significant.

This continued in 2018. Various methods are used in carbon accounting. Bouygues Construction uses its own CarbonEco system, while Colas relies on CO₂/sales ratios.



As part of this work, the criteria selected for qualifying an emissions source as significant (or not) are as follows: coverage^a, relevance^b

and feasibility^c. Emission sources that do not meet one or more of these criteria are considered to be insignificant.

For example, the criteria of feasibility, relevance and coverage cannot be applied to Colas for the following two emissions sources: Use of products and services sold and End-of-life of products sold. Extending scope 3b to these two emissions sources in relation to transport infrastructure (either rail or road) is not feasible because of the complexity of calculating the CO₂ footprint with regard to the following:

- accounting for infrastructure usage;
- the lack of means to reduce or control this footprint;
- the low proportion of sales from the construction of new infrastructure;
- and the complex rules for allocating emissions in relation to usage and infrastructure end-of-life.

These two emissions sources are therefore left out of the carbon footprint calculation for Colas.

Bouygues group greenhouse gas emissions

(Kt CO ₂ eq.)	Bouygues		Colas	Bouygues		2018	2017
	Construction	Bouygues Immobilier		TF1	Telecom	Group total	Group total
Scope (activity or region)	Global	France (excluding subsidiaries)	Global	France	France		
Coverage as a percentage of sales	100%	89%	100%	85%	100%	94.8%	96.2%
Scope 1	314	3	1,703	1	12	2,033	1,903
Scope 2	301	0.6	354	2	52	710	586
Scope 3	2,596	644	10,212	88	720	14,260	14,462
TOTAL	3,211	648	12,269	91	784	17,003	16,950

^a The reported information concerns the five sources with the highest emissions and/or that cover at least 80% of the emissions.

^b Sources exhibit existing potential for improvement and the company has some control over them.

^c The ability to collect reliable information.

The carbon footprint is useful in providing an idea of scale but cannot be considered a reliable performance indicator because of its inherent uncertainties.

Compared with 2017, **Bouygues Construction's** carbon footprint decreased by 9% in 2018, with some scope 3 items also lower, such as Waste generated by operations and Upstream and downstream freight transport. Reporting methodology was also revised to cover "Use of products and services sold" more accurately. The new protocol was not applied to all projects handed over (as that would have required revision to previous studies). Hence this indicator did not cover the entire scope. As a result, it was decided not to report this item for 2018. Close attention will be paid in 2019 in applying the new reporting protocol.

The change in carbon footprint at **Bouygues Immobilier** is due to a change of methodology and scope to bring them into line with the E+C- label and obtain a scope 3 carbon footprint allowing for deployment of an operations-related carbon strategy that includes end-of-life emissions from building materials.

The footprints of **TF1, Colas** and **Bouygues Telecom** were broadly unchanged, in each case varying by less than 5%.

The above details reveal an immaterial change in the Group's total carbon emissions (0.3%), which should be interpreted in the light of the foregoing information. Generally speaking, the business segments continue to work hard to develop the most faithful forms of carbon accounting possible and offer low-carbon solutions to customers, through timber constructions, circular-economy initiatives and the sharing of telecoms infrastructure.

In relation to the Group's sales, the carbon footprint declined by 6.8% between 2017 and 2018.

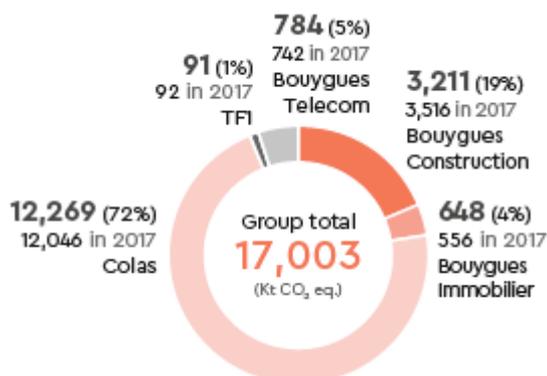
Greenhouse gas emissions by source

(Kt CO₂ eq.)

Simplified sources Bouygues group	Scope	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2018 Group total
Energy consumption (on-site combustion)	Scope 1	314	3	1,703	0.1	6	2,026
Direct emissions excluding energy	Scope 1		0.2		0.8	6	7
Consumption of electricity, steam, heat or refrigeration	Scope 2	301	1	354	2	52	710
Purchases of goods (raw materials, construction materials, etc.) and of services	Scope 3	2,318	599	7,968	83	224	11,192
Waste generated by operations	Scope 3	46	0.2	396	0.1	2	444
Upstream and downstream freight transport	Scope 3	123		1,038		5	1,166
Investments, fixed assets and leasing	Scope 3		3	585		382	970
Travel of employees (business trips and commuting), visitors and customers	Scope 3	109	5	225	5	46	390
Use of products and services sold	Scope 3					57	57
End-of-life of products sold	Scope 3		37			4	42
TOTAL		3,211	648	12,269	91	784	17,003

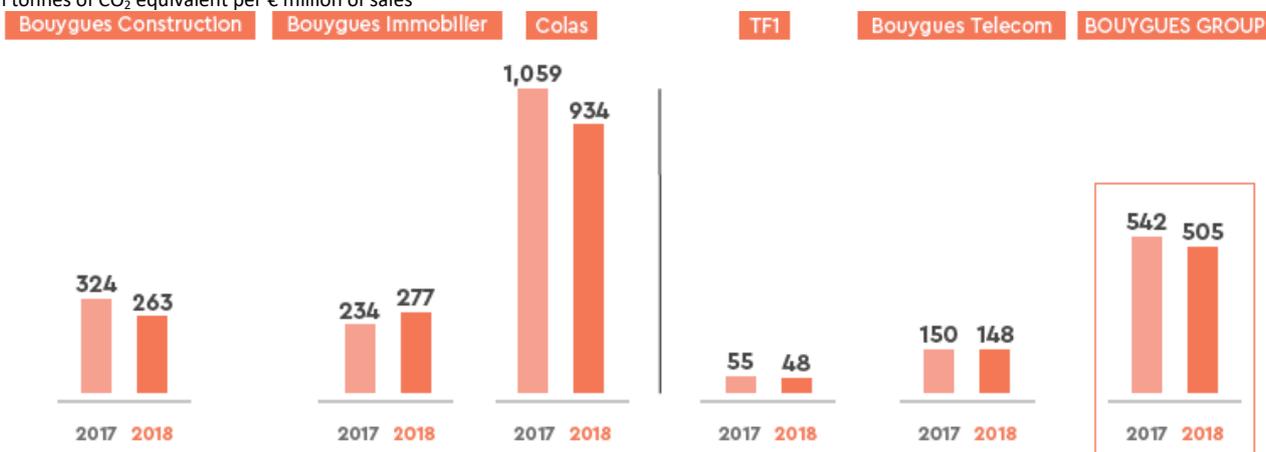
Greenhouse gas emissions by business segment

Kt CO₂ eq.



Carbon intensity by business segment ^a

In tonnes of CO₂ equivalent per € million of sales



In line with its “Responsible and Committed” corporate vision, Bouygues Construction has pledged to reduce its carbon footprint, targeting a 20% decrease by 2030 relative to 2015 regarding scopes 1, 2 and 3a (up to the handover of the projects). It is evaluating the CO₂ emissions avoided thanks to its policies and positive actions such as timber construction, the use of low-carbon concrete and energy savings.

Colas has a twofold commitment:

- keep the energy consumption required for its activities under control and reduce the greenhouse gas emissions thus generated;
- reduce the energy and greenhouse gas content of products and technologies proposed to customers. To help reduce its own carbon footprint and that of its customers, Colas is drawing on its R&D policy to make more environment-friendly products:

Bouygues Immobilier, by studying the emissions linked to the construction and operation of its developments over a 40-year period, identified the three largest sources of emissions over the various lifecycle phases of its property developments, and drafted a procedure for reducing greenhouse gas emissions that was implemented in 2015, with targets set for 2020.

Network equipment accounts for close to 75% of investments, i.e. more than a third of Bouygues Telecom’s total carbon footprint. The solution enacted involves sharing equipment with other operators and encouraging its re-use.

3.3.4.2 Low-carbon solutions

The recognised expertise of its business segments (construction, property, transport infrastructure, media and telecoms) has enabled the Bouygues group to design a full-service offer to help urban environments reduce their carbon impacts. For several years, the Group has been innovating to make measurable progress in energy and carbon, offering effective solutions in the areas of renovation, low-carbon construction, soft mobility and urban services.



- **Renovation:** the millions of poorly insulated buildings are a key issue for the Group, whose business segments have developed

solutions and recognised expertise in energy renovation for housing, offices and amenities. These offers improve the business models of renovated properties and save on natural resources, while respecting the architectural heritage of buildings. In this domain, Bouygues Immobilier provides

^a Based on the same emissions sources as listed above.

the Rehagreen[®] service package for commercial property (see section 3.3.3.2). The renovation of its headquarters, Challenger, into a positive-energy building, is a showcase of Bouygues Construction's technological expertise.

- **Low-carbon buildings** are economic and environmental profit centres. Bouygues and its business partners market scalable offers, beginning at the design stage and going all the way through to when buildings are up and running. These offers use traditional and bio-sourced materials that can be re-used or recycled, smart systems for optimised building management (Bouygues Immobilier's Green Office[®] positive-energy buildings) as well as renewable energy coupled with storage systems. Bouygues Energies & Services is part of the European research consortium working on the ELSA^a project. The purpose of this project is to increase the amount of renewable energy generated locally and speed up the transition towards the use of smart grids. ELSA recovers used batteries from Renault or Nissan electric vehicles and re-uses them in buildings to create energy-storage systems. Six pilot sites have been set up around Europe to illustrate six different scenarios. Low-carbon construction is a major avenue of innovation and growth for Bouygues Construction and Bouygues Immobilier. For instance, the Sensations development, located in the Îlot Bois residential area in Strasbourg, is the first high-rise building that has a 100% timber frame (see box on "Sensations" in sub-section 3.3.3.2 on page 109). Sensations has been awarded the BBCE Excellence label.
- **Eco-neighbourhoods:** Bouygues and its partners offer local authorities integrated solutions combining sustainable construction, energy efficiency, functional diversity, soft mobility, biodiversity and new technologies adapted to residents' needs. The Bouygues group has several exemplary eco-neighbourhoods to its name, both in France and abroad.

In December 2017, Bouygues Immobilier was given the "International Developer" award by Alliance HQE-GBC. In Poland, the Accent Vert and Accent Eco residential developments (292 housing units) have been certified as HQE[™] Very Good by Cerway in the design phase. This is the first HQE[™]-certified residential development in Europe outside France. In Morocco, Cerway awarded HQE[™] Passeport Exceptionnel certification to Les Faubourgs d'Anfa in Casablanca, a mixed-use development project comprising up-market apartments and shops.

Since 2016, the Bouygues group has taken part in the creation of two sustainable-city demonstrators in France, under the aegis of the government-backed Institute for Sustainable Towns (Eureka Confluence and Descartes 21 Marne-la-Vallée). They will serve to test, free from current regulatory constraints, ground-breaking innovations in all areas of urban life. Elsewhere, two of Bouygues Immobilier's flagship projects, Font-Pré in Toulon and Nanterre Cœur Université, close to the La Défense CBD, were awarded phase 2 of the French ÉcoQuartier label.

UrbanEra^{® b} was selected to develop the Charenton-Bercy project (12 hectares including 3.6 hectares of green spaces), part of a call for bids entitled "Invent the Grand Paris Metropolitan Area"^c, which was organised by the Grand Paris metropolitan authority, Île-de-France regional authority and Société du Grand Paris. The neighbourhood has a target to re-use or recycle 80% of materials on site, 50% renewable energy and 100% rainwater recovery. All buildings will be highly energy-efficient (NF Habitat HQE[™], LEED[®] or WELL^d certifications) while a smart grid will help improve the management and consumption of locally produced energy.

- **Soft mobility and urban services:** Bouygues supports local authorities in the implementation of solutions promoting sustainable urban environments. Bouygues develops transport infrastructure (tram lines and cycle paths) and provides soft mobility solutions, such as strong links to public transport networks, vehicle sharing, electric vehicle charge points, shared parking spaces and electric bikes for its eco-neighbourhoods. The Bouygues group offers local authorities innovative urban services based on embedded sensors (via the Internet of Things) as well as augmented transportation solutions (Wattway, Flowell).

3.3.4.3 Promoting solutions adapted to climate change

Climate change leads to rising sea levels, an increased frequency of freak weather events (e.g. windstorms and rapidly rising or falling temperatures) and changes to ecosystems.

Coastal areas – which tend to be heavily populated – are at risk from the current change in the climate, considering that sea levels could rise, while climate change also produces more extreme weather, accompanied by possible erosion and flooding.

To gain popular support, protective structures in built-up coastal areas must blend in as much as possible. This is leading to the development of innovative concepts at the engineering department of Bouygues Travaux Publics.

Bouygues Construction's ABC (Autonomous Building for Citizens) is an example of what the Group will be able to implement to deal with these changes in the domain of buildings. In the context of increasingly scarce resources, ABC's performance in terms of water recycling, insulation, and renewable energy generation, is likely to represent a huge step towards independence from various networks. In 2014, a partnership with the Municipality of Grenoble was signed to develop a demonstrator, involving the construction of an apartment building with some 60 housing units. The building permit was obtained in October 2017 and work began in the summer of 2018, with the foundation stone laid in October.

VSL has been working alongside the Danish Technical University to optimise the performance of cable-stayed bridges in the face of severe weather, leading to improvements in the user safety and comfort of these structures. Research focuses on vibration control and managing risks relating to falling ice.

Bouygues Immobilier factors bioclimatic architecture into its developments: research into the best location, bioclimatic research, choice of efficient insulating materials and the use of renewable energy sources. UrbanEra[®] sustainable eco-neighbourhoods introduce nature into urban environments, thus reducing the urban heat island effect and improving water drainage.

Colas launched a programme of academic discussions concerning the formation of urban heat islands to factor in the complex interactions and retroactions characterising this phenomenon, which is a concern for all the world's major urban centres. Concurrently, Colas continues to pursue a rigorous experimental approach to distinguish the thermodynamic properties of building materials and is participating in the full-scale measurement and experimental programmes launched by several municipal authorities.

^a Energy Local Storage Advanced system.

^b The Major Urban Projects division of Bouygues Immobilier, specialising in designing and developing sustainable mixed-use neighbourhoods.

^c Europe's largest international call for tenders in the field of property development, urban planning and architecture.

^d Quality standard for employee well-being.

3.3.4.4 Reducing the Group's carbon footprint

Whether on worksites, at headquarters or in regional offices, the Group's business segments work hard to reduce the carbon footprints of their operations. The Group actively promotes timber constructions (see section 3.3.3.2). Bouygues Bâtiment Ile-de-France is putting to use its expertise in timber through the new Habitat Réhabilité subsidiary.

To reduce the carbon footprints of worksites, Bouygues Construction and Colas choose materials using eco-friendly alternatives (Seve®) and metrics to track energy savings.

Bouygues Construction is investing in innovation in the sphere of earthworks, by carrying out research into binders with low CO₂ emissions. Soil improvement during landscaping projects is traditionally done by lime washing and/or by hydraulic binder, which, through their manufacturing process, generate large amounts of greenhouse gas emissions.

Colas implements initiatives to reduce fuel consumption, such as encouraging truck drivers and plant operators to adopt fuel-efficient driving behaviour and switch off engines when idling. Initiatives are also in place to reduce fuel consumed by asphalt plant burners. Fuel consumption per tonne of asphalt mix produced is monitored worldwide.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Greenhouse gas emissions relative to the production of a tonne of asphalt mix (Kt CO ₂ eq. per tonne)	Global	Asphalt mix production activities	18	18	Although energy consumption relating to asphalt plants increased slightly ^a in 2018, greenhouse gas emissions remained stable.
Greenhouse gas emissions avoided as a result of action taken by Colas (tonnes of CO ₂ eq.)	Global	All activities	156,000	153,000	The quantity of greenhouse gas emissions avoided as a result of Colas' actions rose in region of 2% in 2018 as a result of the increase in quantities of reclaimed asphalt pavement around the world, excluding North America.

(a) Broadly speaking, action specifically involved limiting energy consumption by Colas at group level (plant and vehicle fuel consumption, asphalt plant burners) and reducing the energy and greenhouse gas component of the products and techniques offered to customers (warm asphalt and asphalt mixes, in-place road recycling, recovery of road pavement for use in production of asphalt mixes, Végéroute[®] products, promotion of Ecologiciel[®] and Seve[®] eco-friendly alternatives software, Wattway, etc.)

The BBCA label: a driver of ecological transition

To fight effectively against climate change and preserve resources, the construction sector is focusing increasingly on reducing greenhouse gas emissions, of which it accounts for 40% worldwide.

Bouygues Bâtiment Ile-de-France and Bouygues Immobilier are members of the BBCA (the Low-Carbon Building Association) and have helped launch a label of the same name by submitting projects for certification. The label is used to publicise actions aiming to reduce the carbon footprints of buildings across their entire lifecycle. It has four focuses: sustainable construction, optimised operation, on-site carbon storage and the circular economy. Operating along the same lines of environmental certifications from the US or the UK, the BBCA label is awarded by an independent entity, either Promotelec (housing) or Certivéa (offices).

Since the label's creation in 2016, Bouygues Bâtiment Ile-de-France and Bouygues Immobilier have submitted projects for assessment as early as the label's initial pilot phase. Notable among them is Green Office[®] Enjoy, a positive-energy office building in Paris developed by Bouygues Immobilier (in the Clichy-Batignolles mixed-development zone), which has a unique and innovative mixed timber-concrete structure. It is the largest positive-energy commercial property in France to be awarded the BBCA label.

In 2018, the headquarters of Groupement des Industries Métallurgiques (GIM), located just outside Paris and renovated by Linkcity Ile-de-France, was awarded the BBCA Renovation label. Several new Group developments have received BBCA certification. These included several apartment buildings that are part of the Abelia projects in Bry-sur-Marne (Bouygues Construction) and Only Wood in Orvault (Bouygues Bâtiment Renovation) as well as a housing project in Choisy-le-Roi (Habitat Social, a subsidiary of Bouygues Bâtiment Ile-de-France) and student accommodation in Champs-sur-Marne (Bouygues Bâtiment Ile-de-France).

Operating fixed and mobile networks is Bouygues Telecom's largest source of energy consumption. Even though energy consumption per site has been rising on an absolute basis owing to increased geographical coverage, government-required quality standards and customer usage, it has decreased per terabyte carried (a metric which is rising exponentially). Bouygues Telecom is trialling a system that can track in real time the primary and secondary consumption of its sites, with the possibility of identifying avenues for improvement from 2019 onwards. Best practices are also implemented such as optimising equipment installation in technical rooms to manage air flows and prevent hot spots. Containment solutions that optimise air-conditioning energy efficiency are becoming more widespread as new equipment is deployed.

In 2009, TF1 joined forces with private and public stakeholders to launch Ecoprod, which aims to make TV productions more environmentally friendly. Part of this initiative is making resources for reducing carbon footprints freely available to the industry.

3.3.4.5 Partnering in research



To understand the future impacts of climate change on its business activities, the Bouygues group has become a partner and active member of The Shift

Project (theshiftproject.org), a think-tank working towards a carbon-free economy. It comprises a multidisciplinary network of scientists and industry representatives acknowledged for their experience in energy and climate change issues. The purpose of this think-tank is to issue economically viable and scientifically sound proposals to policymakers.

The Bouygues group is also a partner in IDEAS Laboratory^a, a think-tank bringing together experts, industry players and researchers to carry out intelligence monitoring on the theme of the city of the future. Hosted by the CEA^b in Grenoble, IDEAS Laboratory^a works to develop innovative projects meeting the social challenges of tomorrow. One such project was Cité 2030, which designed new services based on various disruptive urban scenarios. IDEAS Laboratory^a is also developing a smart-thermostat solution specifically designed to help people in fuel poverty manage their budgets. The concept was tested in the homes of eight people living in social housing.

Bouygues Immobilier and Bouygues Bâtiment Ile-de-France, both members of the Low-Carbon Building Association (BBCA), are participating in the development of the BBCE label promoting low-carbon buildings (see box above), specifically by submitting candidate projects.

3.3.5 Taking account of biodiversity

The Bouygues group has pinpointed the impacts of its construction businesses on biodiversity. These include noise and light pollution, destruction or fragmentation of habitats and species, and the possible emergence of invasive species during certain work procedures or soil sterilisation. *“Setting targets for improving biodiversity, when justified by business activity”* is one of the four principles that the Group’s business segments commit to for the improvement of their environmental performance.

The Group has undertaken measures to limit such impacts and sustain biodiversity in its construction businesses.

act4nature: two Bouygues entities commit to promoting biodiversity

EPE, a non-profit organisation representing companies working to protect the environment, last year launched act4nature, which aims to protect, promote and restore biodiversity by bringing together those capable of rising to the challenge, as well as providing tangible solutions itself. In 2018, 65 companies pledged support through signature of the organisation’s charter. Two of these companies were Bouygues Construction and Bouygues Immobilier.

act4nature is an initiative that starts with companies signing up to ten shared commitments. Each company then spells out how it will honour its commitment individually, putting the joint pledges into action within their industries and substantiating their plans with figures and timeframes.

Bouygues Construction is committed to building expertise in biodiversity, designing new products and services and taking an active involvement in collective action. Its biodiversity policy has three priorities:

- Innovating and bolstering the group’s technical expertise in biodiversity.
- Offering new products and services focused on biodiversity.
- Getting involved in collective action with all stakeholders.

To protect biodiversity, Bouygues Immobilier has four solutions:

- A structured initiative that factors in biodiversity at every stage of a property development.
- Expertise recognised by a label.
- Raising awareness about nature in the city.
- An enlightened approach to urban agriculture.

Colas supports biodiversity in two ways:

- by actively participating in research on biodiversity:

Colas has been part of the strategic steering committee of the FRB^b since 2011 and recently awarded a prize to a young researcher in the category “Biodiversity and combating invasive species”.

Colas is an unintentional local propagator of invasive exotic plant species as a result of its small-scale earthworks projects. It has initiated dialogue with the scientific community to make progress in analysing and preventing this problem. Thinking around this issue is gaining momentum thanks to the involvement of an increasing number of subsidiaries around the world.

In 2016, Colas created a sanctuary for black bees in the Alpes-de-Haute-Provence department of south-east France, in partnership with Apilab^c. The sanctuary, which comprises 20 hives, is located at the Cozzi quarry, near Norante. This scientific project uses a protocol for the genetic analysis of mitochondrial DNA that was developed by the CNRS (French National Centre for Scientific Research), conducted in partnership with local bee-keepers and the mayors of the towns neighbouring the quarry.

- by implementing a policy with a direct connection to its operations, i.e. in its quarries and gravel pits.

This consists of implementing and monitoring actions to enable and facilitate the presence and survival of a notable animal or plant species, and in installing beehives in collaboration with local stakeholders (bee-keepers, naturalists, nature reserves, NGOs and others).

^a The French Alternative Energies and Atomic Energy Commission.

^b French Foundation for Biodiversity Research.

^c A laboratory specialised in environmental biomonitoring using bees.

Colas Indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Share of aggregates production sites working to promote biodiversity % of sales before inter-company eliminations	Global	100% of the sales (before inter-company eliminations) of the permanent aggregates production activities	51%	51%	The rate was stable between 2017 and 2018.

To take proper account of biodiversity in urban development projects, Bouygues Construction has contributed to the creation of the first-ever worldwide label for recognising construction and renovation projects that factor in urban biodiversity. BiodiverCity is currently managed by IBPC^a, an organisation bringing together builders, developers, users and trade federations.

Bouygues Construction and Bouygues Immobilier have already used this label with several certified structures.

So far, 10,172 Bouygues Immobilier housing units (either under construction or handed over) have been associated with this initiative. As an active member of IBPC, Bouygues Immobilier is working to develop the technical specifications of the BiodiverCity Ready label at the neighbourhood level, using the Nanterre Cœur Université development as a pilot scheme. Working on a bigger scale will make it possible to integrate biodiversity issues in the development of future neighbourhoods, involving as many local stakeholders as possible and optimising ecological continuities.

Bouygues Immobilier indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Number of m² carrying the BiodiverCity Ready label or covered by a commitment to obtain it at 30 September 2018	France excluding subsidiaries	89% of Bouygues Immobilier's consolidated sales	239,755	34,755	Since June 2016, Nanterre Cœur de Quartier (a floor area of 34,755 m ²) has been partnering the BiodiverCity Ready initiative as the pilot project for fine-tuning the label's specifications. Developments in Annemasse and Divonne-les-Bains in south-east France have joined the pilot project, which has increased the total or area to 239,755 m ² .

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Number of construction projects with the BiodiverCity label	Global construction activities	48% of Bouygues Construction's consolidated sales	4		The awarding of the BiodiverCity label to four new building projects is a sign of Bouygues Construction's commitment to biodiversity. In 2018, three projects by Bouygues Bâtiment Ile-de-France (La Chapelle International, Be Issy and ZAC Paris Rive Gauche) and one project by Bouygues Entreprise France-Europe (La Gloire residence and Les Tours Castilhon) were all awarded this label.



Bouygues Construction has included the protection of biodiversity into its product offering in order to give it value added and make it stand out from the competition.

^a International Biodiversity and Property Council.

For several years, Bouygues Construction has been running R&D programmes investigating biodiversity in infrastructures (measures to stop invasive species, offsetting mechanisms, encouragement of marine biodiversity, etc.) and urban biodiversity (green roofs, biodiversity in property development, etc.). This commitment has been conveyed by a host of different actions, including:

- participation in the annual National Biodiversity Conference since 2012;
- support for charities working to preserve biodiversity such as the French Bird Protection League (through “Club Urbanisme, Bâti et Biodiversité”), or by contributing to the urban biodiversity database alongside Natureparif in the Paris region.

Here is a sample of the projects in which measures to protect and reintroduce biodiversity have been taken:

- the work to extend the port of Calais, the design of which includes a resting place for birds and a bird-watching observatory;
- the offshore extension of Monaco’s port area, where 500 m² of posidonia beds and 141 large clams were moved to protected sites (primarily the Larvotto marine reserve), and where marine infrastructure has been eco-designed through the addition of ecological adjustments to the caissons, rockfill and outfalls, including the addition of artificial reefs. These ecological adjustments aim to improve the potential for nature to reclaim the space, restore lost ecological systems and provide for habitats and ecological corridors.

For the Paris Rive Gauche mixed-development zone project, Bouygues Bâtiment Ile-de-France is developing M6B2, known as the Biodiversity Tower. This tower, with its unique fully vegetated façade, is due to include a vertical garden where 285 shrubs of wild varieties will be planted.

Furthermore, Bouygues Construction and Bouygues Immobilier are encouraging urban agriculture. In 2018, for example, staff from UrbanEra® and Bouygues Immobilier’s sustainable development department teamed up with AgroParisTech to produce a guidebook for supporting operational staff in implementing urban agriculture solutions in their neighbourhood and building developments.

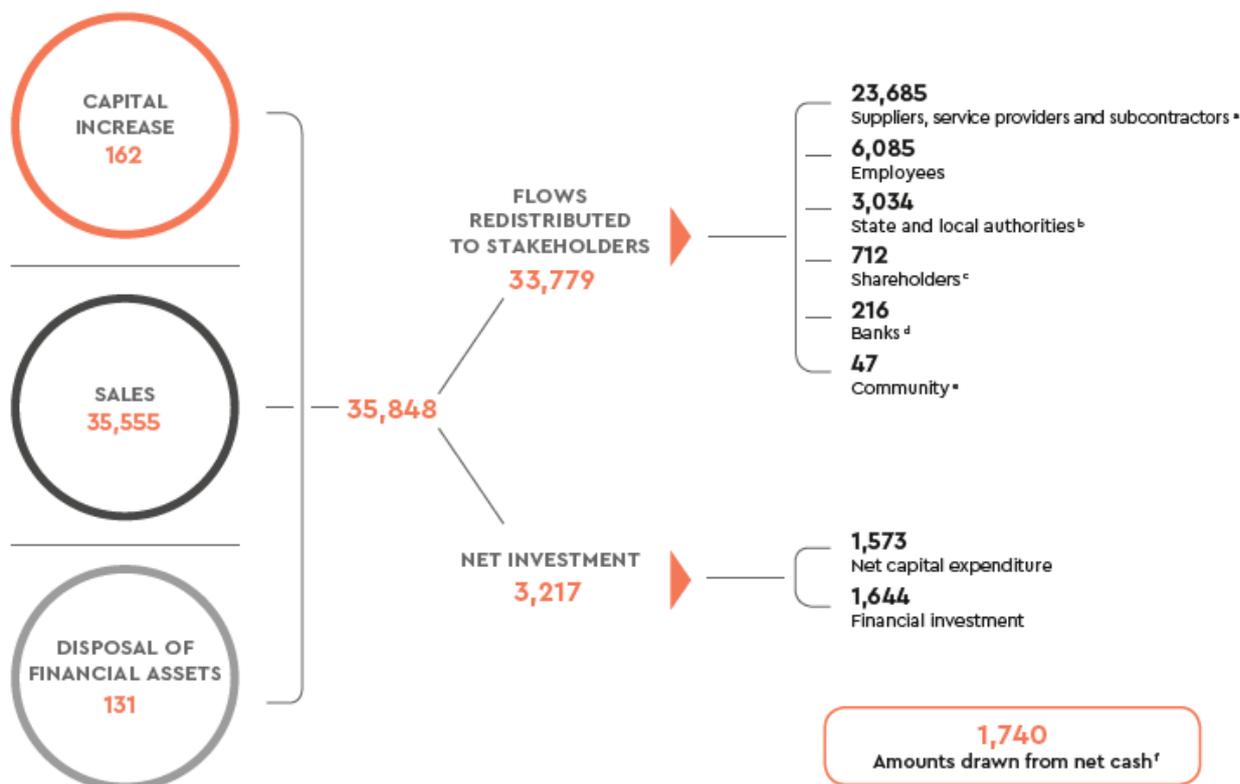
3.4 SOCIAL INFORMATION

Further information can be found by visiting bouygues.com or consulting the CSR documentation of the individual business segments available on their respective websites.

Financial flows generated by the Bouygues group in 2018

€ million

The redistribution of the financial flows generated by the Bouygues group has a positive impact on regional economic development and appeal. Investing in the Group's future growth contributes to sustaining this positive impact.



(a) Purchases and other external expenditure

(b) Income tax, social security contributions and other taxes

(c) Dividends for 2017 paid in 2018, of which €77 million paid to employees

(d) Cost of debt and other charges

(e) Donations, patronage and sponsorship

(f) After changes in the working capital requirement (WCR) and currency effects

3.4.1 Socio-economic impacts worldwide

The purpose of the Bouygues group's activities is to provide solutions that drive progress and support the major changes within society. Its business activities have an impact on regional and local development through the construction and maintenance of road and rail transport infrastructure and buildings as well as through the expansion and operation of a telecommunications network. In this respect, they aim to:

- **protect populations against major risks.** The Chernobyl confinement shelter, work on which took place between 2010 and 2016, will limit the environmental risks connected with this defunct nuclear power station;
- **facilitate personal travel.** The urban cable car that became operational in Brest in 2017 (and the one due to open in Toulouse in 2020) offers an alternative mode of transport that is environmentally friendly and more economical for passengers;
- **help provide access to housing and urban services.** With its diverse offers, Bouygues endeavours to meet the needs of first-time buyers and users of social housing. Bouygues Immobilier markets a significant portion of its developments (62% of block reservations in 2018) to social landlords. It also develops housing adapted to senior citizens (e.g. Les Jardins d'Arcadie). Additionally, the eco-neighbourhoods developed by Bouygues seek to factor in social diversity and access to public amenities;

- **combat fuel poverty.** Bouygues Construction’s solution that provides energy renovation for social housing, without the need to decant the occupants, helps social landlords reduce fuel poverty among low-income households. The company has signed the EnergieSprong charter, the purpose of which is to support the mass roll-out of energy renovations in social housing. This Europe-wide initiative is based on a high-grade level of specifications: zero-energy renovation^a guaranteed over 30 years; one-week renovations without decanting residents; cost overruns funded by the resale of renewable energy and energy cost reductions; and a focus on occupant satisfaction;
- **develop the means of communication.** The roll-out of very-high-speed technology (4G and fibre) to cities and more sparsely populated areas is helping local and regional economic development as well as expanding digital services to as many people as possible, including in rural areas;
- **promote harmonious living.** Bouygues Construction and Bouygues Immobilier are rethinking the whole concept of accommodation to encourage harmonious living in their eco-neighbourhoods and respond to the growing need for shared spaces and services.

Grand Paris: a major infrastructure project to improve urban mobility

Grand Paris is defined by the specific French law of 3 June 2010 as “an urban, social and economic project of national interest that unites the major strategic areas of the Paris region”. Grand Paris aims to create a vast 200-km public transport network, made up of 68 stations for a total investment of €24.5 billion. Bouygues Travaux Publics and other Group entities are amongst the companies building this network.

Société du Grand Paris, a public corporation overseeing the work on and the funding of the Grand Paris Express rapid transport project, is also tasked with urban development. Specifically, it is leading operations to develop the areas around the project’s stations, including the construction of residential property. For example, Linkcity Île-de-France and Bouygues Immobilier in 2017 won contracts to develop seven and four sites, respectively, as part of the “Invent the Grand Paris metropolitan area”^b call for tenders. That corresponded to 20% of the projects up for tender.

Following the success of its initial tender, the Grand Paris metropolitan authority ran a second one. Four Bouygues Immobilier projects and nine Linkcity Île-de-France projects have been short-listed. Final selection will take place in May 2019.

In September 2018, Société du Grand Paris awarded the Colas Rail/Alstom consortium the contract to install the tracks and overhead lines on Line 15 South, East sector, of the Grand Paris Express. This includes construction of 17 km of metro lines linking eight stations.

Fibre-optic networks add to the appeal of many towns, cities and regions, and this is helping to fuel innovation. The high speeds available and the signal stability are encouraging the boom in e-learning, working from home and e-health. Bouygues Telecom has announced ambitious plans to invest in fibre to meet the rising demand from households for very-high-speed broadband. By 2022, it plans to have 20 million premises marketed nationwide in France. At 30 September 2018, it was one-third of the way to reaching this target. As well as laying fibre in urban areas, Bouygues Telecom will participate in Public Initiative Networks^c (PINs). Agreements sealing the arrival of Bouygues Telecom on the PINs of Axione, Covage, Altitude, TDF and Orange have already been signed.

The presence of the Group’s activities in a given place helps to develop and sustain employment. Its business segments, whether in France or elsewhere, use local labour as a priority and encourage the development of local subcontractors. Colas has a positive impact on employment and regional development where it operates, through its workforce of 58,000 employees and network of long-standing local units. As customer proximity is a priority, jobs cannot be relocated abroad.

France

The Group’s companies span the entire country (63% of sales and 68,496 employees).

As such, the Group operates at the heart of regional economies and is a driving force for local employment. Additionally, TF1 Publicité has an offer especially for French SMEs to help them gain visibility and access the nationwide market – a further sign that the advertising slots on TF1’s main TV channel are not merely reserved for multinationals.

Forging ties with local populations to encourage social cohesion

Bouygues Immobilier is rethinking the concept of housing in pursuit of harmonious living. To achieve this goal, its new housing units are designed to respond to the growing need for shared spaces and services (an extra room, terrace, concierge service, delivery and nursery services). Through “Entre Voisins”, a social media app using which neighbours can exchange services, Bouygues Immobilier is working to foster friendly atmospheres in its apartment buildings. Bouygues Immobilier now offers “Entre Voisins” to every resident in its housing developments.

- Les Fabriques, developed by Bouygues Immobilier and Linkcity in Marseille, is an example of a neighbourhood integrating into an existing social and economic ecosystem. By promoting the usage economy, fostering social ties, creating shared living spaces and connected services, Les Fabriques focuses on the circular economy, creativity and mixing the use of space, as well as on new lifestyles and ways of consuming. The first phase of this future neighbourhood is based on an economic model that prioritises technological and digital innovation, in what will be the largest makerspace in France.
- The participative arts laboratory in the future Nanterre Cœur Université neighbourhood, which is being developed by Bouygues Immobilier, is exposing various works of art throughout the construction site. All local residents are invited to share their visions of this urban project, which helps to forge links with the local community in neighbouring areas, in turn helping to gain acceptance for this redevelopment project, which can cause major disturbances for local residents.



- The Group’s business segments are drivers of occupational integration. In France, public procurement contracts include occupational integration clauses. To apply these criteria as effectively as possible, so that people remain in employment for the long term, Bouygues Construction and Colas forge partnerships with local and national specialised organisations.

^a Thermal renovation aiming for a passive energy score.

^b Europe’s largest international call for tenders in the field of property development, urban planning and architecture.

^c Fibre-optic networks rolled out by infrastructure operators in partnership with local authorities.

In 2017, Bouygues Construction set out an ambitious policy for employment and occupational integration in which it made three commitments:

- a job and occupational integration initiative for each worksite;
- a job and occupational integration initiative per year on each of its long-standing sites;
- and a training initiative on each major worksite subject to an occupational integration clause.

Having this policy gives actions a more qualitative dimension, especially as regards initiatives to help job-seekers and secondary school students in priority education networks.

Colas partners with CNCE-GEIQ^a to combat discrimination in access to employment via actions applied locally.

Finally, the TF1 Corporate Foundation focuses on diversity and helping young people find employment by recruiting, each year, young people between the ages of 18 and 30 from underprivileged areas through a competitive process. Additionally, the foundation each year organises an inter-company internship scheme aimed at 14/15-year-olds (300 pupils hosted at TF1 in 2018). Lastly, the foundation encourages TF1 employees to take part in the “Stop Illettrisme” anti-illiteracy programme, whereby help in reading and writing can be given to the employees of service providers.

After two voluntary redundancy plans, Bouygues Telecom has made a pledge to the French government that it will work to support employment in vulnerable areas. This has involved the signing of two national regeneration agreements. In that context, Bouygues Telecom, together with HEC Paris and BPI group, has created “L’université de l’excellence”, the first training opportunity in France dedicated to managers of sheltered workshops and disability-friendly companies. 2018, the second year of “L’université de l’excellence”, began by focusing on the subject of innovation and digital technology. In the first year, 25 managers received training, which included a lecture on innovation at Bouygues Telecom.

Bouygues Construction indicators

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Number of hours devoted to occupational integration and the corresponding FTE^a equivalent (France)	France	45.3% of Bouygues Construction’s consolidated sales	1,250,596	1,144,437	After starting official programmes in employment and occupational integration in 2017, Bouygues Construction continued to provide support above and beyond its contractual obligations in 2018, implementing tangible actions across all its locations.
Percentage of expenditure favouring local companies	Global	98% of Bouygues Construction’s consolidated sales	91%	92%	This indicator was stable at a high level. Local purchasing equates to a purchase within the country. Purchases were made in 2018.

(a) Full-time equivalent

International

The Group endeavours to source site workers and supervisory employees locally, which strengthens its position in terms of direct and indirect employment, fosters the transfer of expertise and supports local communities.

Colas Canada has taken steps since 2012 to integrate members of the First Nations^b within its works teams. A nationwide approach is currently being drawn up. For example, this may include setting up partnerships on common themes, establishing training programmes (literacy, efforts to combat addiction, etc.) and prioritising the hiring of indigenous populations.

In the Philippines, VSL, a Bouygues Construction subsidiary, joined the Youth Inclusion Network, a network of companies committed to fostering the occupational integration of underprivileged young people as a means of fighting social exclusion. VSL is active both in the field and in the governance of this NGO, whose members offer special internships and help find work for these young people.

3.4.2 Relations with people and organisations affected by the company’s business activity

3.4.2.1 Dialogue with stakeholders

At Bouygues, dialogue with stakeholders is conducted at three levels: group, business segment and at the local level.

The Group dialogues with stakeholders, including extra-financial ratings agencies, the investor community, trade unions, government departments and NGOs in an effort to take their expectations even more into account.

^a French national committee for coordinating and evaluating groups of employers that promote occupational integration and vocational training.

^b Canadian indigenous peoples, excluding Inuit and Metis peoples.

In 2018, Bouygues published its first-ever Integrated Report ^a as a summary of its vision, strategy and corporate culture, detailing how it creates both financial and non-financial value for its stakeholders. It does this by describing its environment, presenting its strategic and cultural fundamentals and providing a portrait of its expertise.

Each business segment maps out its respective stakeholders and liaises with them regularly on their own specific issues to identify areas for improvement and the associated relevant actions.

Being attentive to customers and satisfying them are at the forefront of concerns

The business segments place satisfying and listening to customers at the forefront of their concerns. Measuring customer satisfaction is a basic requirement of ISO 9001 (quality management system). Bouygues Construction and Bouygues Immobilier encourage customer surveys to be carried out at the end of each commercial phase.

Worksite customers take pride of place in Bouygues Construction's Top Site label, which can only be granted with their approval.

In order for residents' needs to be more clearly identified and taken into account in product design, Bouygues Construction, for example, has carried out collaborative analysis on the subject of seniors living safely and independently in their own homes. Its aim is to obtain input from older people in order to design and build housing that will meet their needs, through a multi-disciplinary working group made up of landlords, sociologists, occupational therapists, home help providers and company employees. Bouygues Construction posted a summary of the proposals on its website. The findings of this analysis will serve as a foundation for designing scalable accommodation and tailored services for the Eureka Confluence eco-neighbourhood in Lyon, a prize-winning sustainable-city demonstrator.

A new system for optimising feedback from customer advisers or sales staff in direct contact with customers was implemented by Bouygues Telecom in July 2018. Called "Be Progress", it will help manage the customer experience more effectively. The system combines all the previous arrangements into one simplified process so that complaints and errors affecting the customer experience can be sent and resolved more easily as part of a team effort.

Beginning last year, another project aimed at improving customer satisfaction within Bouygues Telecom offers an interface to advisors to receive direct feedback from the customers that they have just dealt with. This enables them to play an active part in improving the quality of service provided.

Bouygues Telecom also held an open day at each of its six customer relations centres, during which customers were able to learn about what being a customer advisor entails.

Bouygues Telecom's Customer Committee leads the company forward

Since 2015, Bouygues Telecom has involved its customers in the improvement of its products and services by listening to their opinions through the Customer Committee.

This 20-strong team – the only one of its kind in the telecoms sector – is tasked with helping Bouygues Telecom's employees improve the customer experience by providing opinions and suggestions concerning offers and products and by submitting new ideas. This dovetails with the company's determination to place customer satisfaction at the forefront of its concerns. Bouygues Telecom asks them for their input on many different issues, such as the overhaul of the customer area on the website, parental controls on the Bbox home gateway, and the layout and clarity of bills. Each year, the Customer Committee is asked to choose – from among the ten NGO projects selected by the Bouygues Telecom Corporate Foundation – its three favourites, which then receive technical and financial support from the company.

During 2018, members of the Customer Committee were consulted on the redesigned documentation showing new customers how to connect their Bbox. They also participated in a survey on corporate social responsibility issues at Bouygues Telecom.

Nearly four years after being established, the Customer Committee has quantified the results of its dialogue: altogether, 1,200 posts on the private forum, attracting nearly 14,000 comments. There have also been three meetings with the Executive Committee and its chair.

At TF1, the news mediator receives opinions, queries and complaints concerning the news broadcasts of TF1 and LCI, via the Viewer Relations section ^b on the LCI website. She also provides explanations about how television news is produced and the rules by which it must abide. This person also notifies the newsrooms whenever several similar opinions are voiced by viewers.

Constant dialogue

External social media are an excellent channel for exchanging ideas with stakeholders. Besides TF1, several of the Group's entities run blogs discussing current and future trends on which users can comment: bouyguessed, blog.bouygues-construction, demainlaville, blog.colas, blog.bouyguetelecom.

Each of Bouygues Immobilier's flagship projects is accompanied by comprehensive online content, posted on a dedicated website or on social media, for the purposes of informing and exchanging information with project stakeholders.

At Bouygues Immobilier, the quality-enhancement strategy is a constant way of exchange with customers, albeit indirectly. Satisfaction surveys at the purchasing and handover stage, together with the Net Promoter Score, give information about customer expectations and help apply continuous improvements in the quality of services and developments.

Through its Les Experts community, composed of in-house volunteer experts who are on hand to deal with highly technical questions, Bouygues Telecom supports customers in their digital lives through social media (such as Facebook and Twitter) as well as through its help forum, which has close to 1.4 million monthly visitors.

Close, high-quality relations with its audience is a priority for TF1, which keeps permanently in touch with viewers through social media and the TF1&Vous page. Audiences can interact about shows and presenters at any time.

^a Available on bouygues.com

^b www.lci.fr/la-mediatrice-vous-repond.

Lastly, the mobile apps developed for residents of Bouygues-designed eco-neighbourhoods aim to improve communication with managers, local authorities and developers, as well as with retailers present in the neighbourhood.

Consultation exercises with local authorities and local dialogue

At the local level, procedures have been introduced to promote grassroots dialogue between site and worksite managers and local residents, as well as to foster public acceptance of the Group's construction businesses (Bouygues Construction, Bouygues Immobilier and Colas).

Bouygues Immobilier is developing consultation and co-design methods for its property developments. One example is Sollys, a collaborative housing project in Lyon Confluence. The co-design methodology is based on a combined working group bringing together experts and users to design the project together. To help produce a consensus, design thinking^a methods are used. Co-design brings together buyers before the handover of a housing development so that they can work together, making this a method conducive to the creation of more shared spaces.

Shared concierge services are another useful way of forging social ties within neighbourhoods. Services catering for various types of users (residents, employees or visitors) are available seven days a week, at all times of the day. Accessibility, ease of use and proximity are the watchwords. One example of a successful concierge service in action is in the Ginko residential development. It was created jointly along with a café bar and a coworking space, providing a place for living, meeting people and forging ties between residents.

Acceptance of production sites by local residents is becoming an increasingly sensitive issue for Colas worldwide. Issues include concerns of nuisances (odours, dust, traffic, noise) and risks of environmental or health impacts. Colas has identified community acceptance as one of its CSR priorities and has initiated action plans focused on two areas:

- exemplary production sites – each site must implement progress measures that go beyond mere compliance with administrative or regulatory requirements;
- regular dialogue with local residents, elected representatives and the relevant authorities – maintaining an open dialogue with local communities makes it possible to better understand their expectations, explain the reality and constraints of production sites, and promote mutual understanding to prevent crisis situations.

Colas Indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Materials production sites working to promote dialogue with local communities^a as a % of sales before inter-company eliminations	Global	100% of sales (before inter-company eliminations) generated by materials production activities	47%	47%	The indicator covering local dialogue was stable in 2018 after rising sharply in 2017 in response to targeted action plans.

(a) Activities that can justify (through a specific report) during the reporting period that they have genuinely interacted with local residents, elected representatives and government through meetings and proper responses to complaints. Supporting documentation must be kept on file.

Within the scope of their operations, Bouygues Construction and Bouygues Immobilier also implement initiatives promoting dialogue with local residents. On selected urban-development or property-related projects, they also listen to local populations and stakeholders using methods such as interviews, digital co-creation platforms and recording vox pops with passers-by.

“City Play”, a serious game for joint construction with stakeholders

Bouygues Construction in 2017 developed a serious game^b called “City Play” in order to co-construct a future eco-neighbourhood with all the stakeholders (local residents, town hall, not-for-profit organisations, local authorities, architects, retailers, etc.) In 2018, 25 City Play sessions were held in conjunction with 19 local authorities in France, yielding 2,630 ideas in total. Here are some usage examples:

- Épron (Normandy): to give an identity to a mixed-development zone;
- Rennes hospital: to express a place's identity in words;
- the Strasbourg Les Brasseries project: to highlight the history of this former brownfield site.

“City Play” has led to a greater buy-in of projects by local communities and created a bond with the emerging urban environments.

As a signatory to the Operator-Municipality Guidelines (GROC), Bouygues Telecom has since 2006 committed itself to strengthening dialogue with local elected representatives and dealing transparently with local residents whenever installing antenna in a given area. Electromagnetic-field forecasts for the planned equipment are conducted at the behest of local municipalities. The Waves and Health page on Bouygues Telecom's corporate website (in French) is devoted to this topic.

^a Co-design methodology developed at Stanford University in the 1980s. The process (e.g. for designing a product) uses interviews to establish what end-users do, think, feel and say, in order to move from an idea to a prototype, and finally to the testing phase.

^b An app that combines the serious aspects (Serious) of instruction, learning, communication or information, with the fun aspects of video games (Game) – based on the definition of researcher Julian Alvarez.

In 2017, Bouygues Telecom adapted its method for calculating exposure to incorporate the national ANFR^a guidelines set forth under the Abeille law.

3.4.2.2 Patronage and partnerships

Patronage policy is implemented at Bouygues group level, within business segments and through community initiatives. The Group is active worldwide and contributes to local life wherever it operates.

The three main areas of patronage policy at Bouygues SA are community and social projects, education, and healthcare. The Group's parent company helps and supports all kinds of initiatives, small-scale or otherwise, giving priority to long-term actions. It pays particular attention to projects sponsored by Group employees.

Each of the Group's five business segments also carries out its own patronage initiatives through their own corporate foundations.

The Francis Bouygues Corporate Foundation supports deserving students

Created by Martin Bouygues in 2005 to promote equal opportunity, the Francis Bouygues Corporate Foundation encourages deserving, motivated school-leavers from low-income backgrounds to undertake long courses of study and fulfil their career goals.

In the past 14 years, the Foundation has awarded grants to 789 young students (of 40 different nationalities), 375 of which have now graduated. In addition to this financial assistance (ranging from €1,500 to €10,000 annually), each grant-holder is supported by a mentor working on a voluntary basis, chosen from among Bouygues group employees (active or retired) or by former Foundation grant-holders who have graduated and found employment.

In 2018, the board of the Francis Bouygues Corporate Foundation decided to increase its support for young people by lifting the number of students for each new intake from 60 to 100 starting in 2019.

Group spending on patronage and sponsorship

Whenever possible, the Group's business segments give tangible expression to their societal commitment by volunteering their knowledge and expertise.

€ '000	The Francis Bouygues Corporate Foundation						Bouygues Telecom	2018 Group total	2017 Group total
	Bouygues SA	Bouygues Construction	Bouygues Immobilier	Colas	TF1 ^a				
Cash spending on patronage and sponsorship	1,119	3,022	3,249	1,781	5,392	3,336	555	18,454	18,619
Spending in kind on patronage and sponsorship					105	34,845	218	35,168	35,130
TOTAL	1,119	3,022	3,249	1,781	5,497	38,181	773	53,622^b	53,749

(a) Spending by TF1 is calculated on a calendar-year basis; for the others, it is calculated on the 12-month rolling period from¹ October 2017 to 30 September 2018.

(b) The total amount of patronage spending (cash or in kind) decreased slightly by 1% between 2017 and 2018, reflecting a 1% fall in total cash spending.

Focusing on skills-patronage programmes and donations in kind

Whenever possible, the Group's business segments give tangible expression to their societal commitment by volunteering their knowledge and expertise. TF1 donates airtime to a broad variety of causes and charitable organisations. Les Pièces Jaunes, Les Restos du Cœur, Sidaction, ELA (leukodystrophy research) and the Laurette Fugain charity (leukaemia research) are some of the beneficiaries receiving regular large-scale support. The TF1 TV channel provides charitable organisations with direct assistance while helping them gain in profile. This includes special prime-time operations, the production and free airing of TV spots as well as donations of game-show winnings and cash donations.

In 2018, more than 500 Bouygues Telecom employees were given a half-day off to take part in the second annual "We Love Solidarity" week, organised by the Bouygues Telecom Corporate Foundation. Altogether, 49 charities were helped by 95 initiatives ranging from help with communication strategy to renovation of a secondary school for disadvantaged young people.

Since the bill entitled "For a Digital Republic" became law in 2016, Bouygues Telecom has offered mobile customers the opportunity to make charitable donations simply by sending a text message to the special short number allotted to the charity. Donations from Bouygues Telecom customers since the beginning of this service total €300,000.

Since 2010, the Bouygues Immobilier Corporate Foundation has been a partner in the major "Les Médiaterre" project run by Unis-Cité, in which families living in underprivileged neighbourhoods are shown, over a period of six to nine months, how to develop daily eco-friendly behaviour, from not leaving appliances on standby to using low-energy light bulbs and turning off taps.

^a French Agency for Frequencies Management.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2018	2017	Remarks
Number of partnerships ^a during the year supporting integration, education and healthcare	Global	98% of Bouygues Construction's consolidated sales	444	342	The higher number of partnerships forged by Bouygues Construction in 2018 derives from increased recognition of social issues by operating units and a wider spectrum of data used in the reporting process.

(a) A partnership contract, a long-term commitment to a charity, a one-time operation committing to minimum funding of €1,000.

Encouraging employee involvement

Several subsidiaries have made arrangements so that employees can take part in community action initiatives during worktime.

Since 2008, Bouygues Construction's Terre Plurielle foundation has supported over 250 community projects promoting access to education, the labour market and healthcare, and sponsored by 306 group employees both in France and abroad. In total, 189 charities are supported in over 30 countries through these initiatives.

Bouygues Travaux Publics is part of the "Job dans la Ville" programme, helping young people gain access to qualifications and employment. To help them enter the world of work, "Job dans la Ville" offers these young people the chance to visit companies and attend CV and cover-letter workshops as well as careers advice sessions.

Under the "Colas Life" programme, employees of the company have the possibility of supporting selected NGOs. Many employees have, through volunteering, donations and skills patronage, joined efforts to promote access to education, through the "On the Road to School" scheme.

The Bouygues Telecom Corporate Foundation has 1,302 volunteers from within the workforce. When they become charity volunteers, employees can spend 14 hours of their worktime each year on patronage initiatives. The foundation, in addition, offers employees an opportunity to propose favourite charities of their own choice for patronage. Since 2011, customers have also had the opportunity to put forward a charity or charities for patronage by means of an exclusive annual call for projects. In 2018, the Bouygues Telecom Corporate Foundation financially supported ten projects put forward by customers and six proposed by employees. These projects focused on either helping people encountering social or medical hardship, or protecting the environment.

The partnerships implemented by Bouygues Immobilier's corporate foundation with Unis-Cité over the past decade, and "Ticket for Change" (since 2017), are also ways of involving employees (see section 3.3.1.3).

Committed to urban planning and urban environments

The priorities of the Bouygues Immobilier Corporate Foundation are based around raising public awareness of architecture and urban planning, encouraging thinking among experts about the city of the future, and promoting community action, especially by strengthening social ties on a neighbourhood level. Since 2007, it has partnered with La Cité de l'Architecture et du Patrimoine^a in Paris. This partnership has been extended for a further three years until 2019. Its aim is to share thinking on matters such as the place of architecture in daily lives, urban construction and future land use.

Bouygues Bâtiment International is also a sponsor of the Global Awards for Sustainable Architecture, organised by La Cité de l'Architecture et du Patrimoine. These prizes are awarded annually to five architects for innovation in sustainable development.

Bouygues Travaux Publics is a major donor to Inrap^b, providing funding for the organisation of national archaeology days, the publication of original, entertaining and educational editorial content and exceptional openings of digs to the public. One example is the construction site for the Nîmes-Montpellier railway bypass where *Tip-Taube*, a collection of game booklets, was officially launched. This patronage initiative is a reflection of Bouygues Travaux Public's lasting commitment to popular science and the preservation of heritage.

Bouygues Bâtiment Ile-de-France has developed an app, "Naturellement Engagés"^c, to promote exemplary sustainable-development projects among customers and other stakeholders.

The Bouygues Immobilier Corporate Foundation, partnering with L'Observatoire de la Ville, produced the Réver(cités) exhibition on resilient and recyclable cities, which began at La Cité de l'Architecture et du Patrimoine (in Paris) in late 2016 before travelling around the country in 2017 and 2018. This exhibition shines a spotlight on 30 innovative projects in sustainable urban planning, located in Europe, Canada, South America, Asia and South Africa. The next exhibition, which opens on 30 January 2019 at La Cité de l'Architecture et du Patrimoine, is called "Décloisonnons la Ville!" ('opening up the city'). and will focus on social innovation in towns and cities as well as looking at new forms of intra-community action.

Through its partnerships and own research, the Bouygues Immobilier Corporate Foundation is in constant dialogue with all types of stakeholders involved in shaping the city of the future.

^a Bouygues Immobilier has retained its status as the exclusive founding partner of La Cité de l'Architecture et du Patrimoine in Paris, the largest architectural centre in the world (22,000 m²).

^b French National Institute for Preventative Archaeological Research.

^c www.naturellementengages.com

3.4.2.3 Academic partnerships

The Bouygues group has set up partnerships with the academic world in an effort to meet major environmental and social challenges more effectively. For example, Bouygues SA, alongside Alstom, participated in the Advanced Master in Smart Cities Engineering and Management offered by École des Ponts ParisTech and EIVP ^a.

To develop training programmes in sustainable construction techniques, the Group co-designed the specialist masters-level course in sustainable housing and construction alongside ENSAM ^b and ESTP^c. TF1 and Bouygues Telecom have run open innovation initiatives (such as hackathons and student project support) in the context of Le Spot Bouygues at Epitech IT school, where 120 m² of space is reserved for students working on some of the Group's innovative projects.

Bouygues Telecom collaborates with Webschool Factory, Epitech, ECE ^d and EDHEC ^e on various initiatives, from helping organise innovation open days to sitting on judging panels, supervising final-year projects and organising challenges.

Bouygues Construction is working on high-potential areas of innovation in conjunction with the universities of Cergy-Pontoise (mobility) and Aachen in Germany (asbestos-removing robots), Zurich ETH and NTU in Singapore (robotics), École Centrale de Lille (Construction 4.0 chair ^f, construction-site modernisation) and Stanford University (BIM).

In May 2018, Bouygues Construction and École Centrale de Lille signed the agreement governing the Construction 4.0 chair, in the context of which a team of doctoral students, young researchers and Bouygues Construction employees will research the following three fields:

- worksite robotisation and automation as a means of industrialising production, by studying 3D printing, prefabrication and the possibility of putting robots on worksites;
- worksite optimisation to harvest, process and automatically use worksite data for the purpose of improving the organisation of production and the supply chain;
- implementation of disruptive methods for efficient, automated, smart and tailored design.

Bouygues Construction has also started a project called the worksite of the future based on new academic partnerships with several universities in France and abroad (Technical University of Munich, University of Texas at Austin and Harlington, Université de Sherbrooke and University of Alberta in Canada, and Lund University, Sweden).

Colas has forged academic partnerships with universities and other higher education establishments (e.g. University of Birmingham and of Alberta in Canada, the École Centrale engineering school in France) and scientific and R&D bodies and companies (Ineris ^g, the CEA ^h and ChemSud).

Bouygues Immobilier, through its support of L'Observatoire de la Ville, has forged partnership ties with the urban-planning department of l'Institut d'Études Politiques in Paris, l'École des Ponts ParisTech, l'École du Design de Nantes Atlantique and Nantes University.

For additional information, see section 1.1.4 Bouygues and Innovation.

3.4.3 Partners, suppliers and subcontractors

Bouygues' overall performance is intrinsically linked to that of its suppliers and subcontractors. The selection of innovative products and services in technological, environmental and societal terms is essential to be able to offer the most high-performance and responsible solutions. The implementation of a CSR policy for Group purchasing is one of the conditions required for promoting this partnership mindset and developing joint value creation for its customers. Lastly, Open Innovation policy at Bouygues can also be seen through its programme supporting start-ups.

3.4.3.1 Integrating CSR criteria into the purchasing policy

For a number of years, Bouygues has undertaken to comply with the Corporate Social Responsibility (CSR) principles defined in the UN Global Compact, and to integrate them into the purchasing processes of its subsidiaries both in France and abroad.

In 2017, under the terms of the new due diligence law in France, the Group established its first monitoring plan for suppliers and subcontractors setting out the measures taken by its subsidiaries to prevent and mitigate the main risks identified in the areas of human rights, personal and environmental health and safety and detailing how these measures are monitored (see Chapter 4, Risk factors, section 4.5). This policy embodies the Group's requirements as defined in the CSR Charter for suppliers and subcontractors, which is systematically appended to purchasing contracts.

The purchasing departments of the Group's business segments are key to implementing these policies, which have two main components: assessment of subcontractors and suppliers, and careful selection of products and materials for their operations.

In March 2018, Bouygues Construction announced its new responsible purchasing policy as part of the "Responsible and Committed" initiative. Purchasing managers have been trained in the important issues related to responsible purchasing. Ten associated targets were set for them in their 2018 appraisals on which they will be evaluated 12 months later.

Colas' responsible purchasing approach is designed to be gradual and targeted, considering its large number of suppliers, service providers and subcontractors as well as the decentralisation of purchasing decisions to subsidiaries. An official ethical code for purchasing staff was disseminated in September 2018, laying down the rules that all staff in contact with suppliers or subcontractors must observe. This code deals with the following

^a École d'ingénieurs de la Ville de Paris.

^b Arts et métiers ParisTech.

^c École spéciale des travaux publics, du bâtiment et de l'industrie.

^d École centrale d'électronique.

^e École des hautes études commerciales.

^f A research chair focused on increasing the productivity of the construction sector, bringing together doctoral students, young researchers and Bouygues Construction employees.

^g The French environmental safety institute.

^h The French Alternative Energies and Atomic Energy Commission.

issues: personal behaviour, compliance with legislation and regulations, criteria for supplier selection and transparency, conflicts of interest and corruption, confidentiality obligations, the duty to alert and penalties.

Assessment of subcontractors and suppliers

Bouygues Construction, Bouygues Immobilier, TF1 and Bouygues Telecom use external assessments to evaluate and monitor the social and environmental performance of their suppliers and subcontractors.

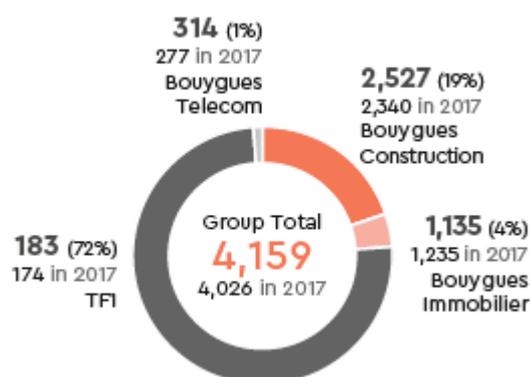
Bouygues Immobilier assesses all suppliers and subcontractors using a framework contract based on the EcoVadis platform. Since 2017, small, medium-sized and micro businesses have been assessed using this digital platform to improve monitoring of CSR performance. The company wants all its suppliers assessed using this platform by 2020.

In order to go further, these business segments have conducted supplier CSR audits. In late 2016, for example, Bouygues Construction signed a framework contract with SGS for the latter to carry out supplier CSR audits for countries and sourcing categories classified as high risk. This began in 2018.

At Bouygues Telecom, CSR risk mapping by purchasing category (updated in 2017) is the starting point of the supplier assessment policy. The company conducts audits for major suppliers and on-site audits for suppliers of high-risk purchasing categories. This includes verifying the manufacturing conditions for Bouygues Telecom-branded home gateways.

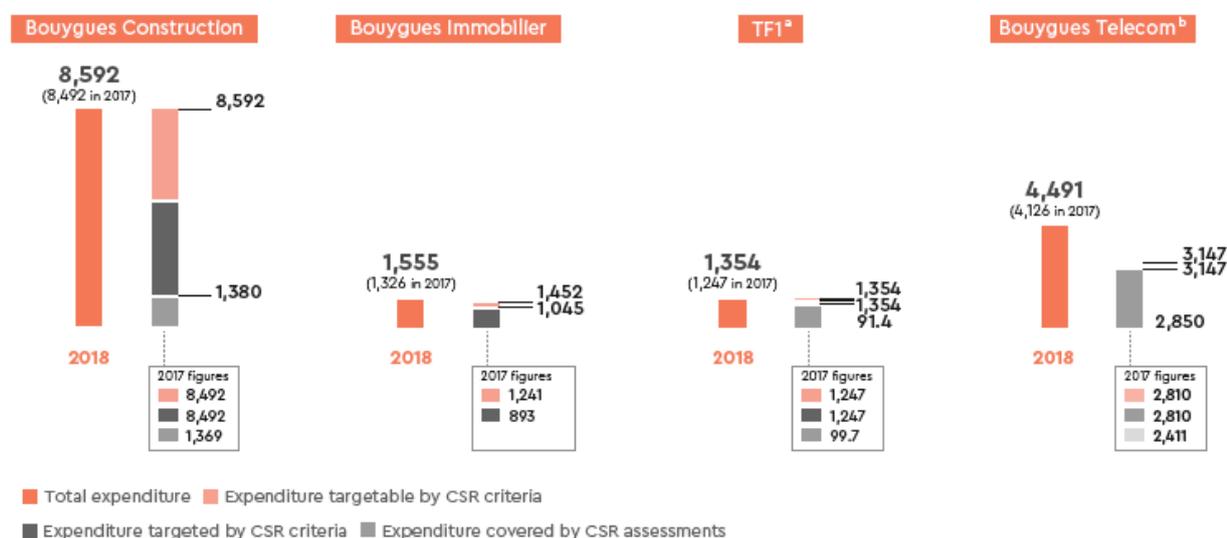
Number of suppliers and/or subcontractors that underwent a CSR assessment

over the past two years



Share of business segment expenditure targeted by CSR criteria or covered by CSR assessments

€ million



(a) Rights acquisitions are not included in TFI data.

(b) Concerning Bouygues Telecom, the "Total expenditure" indicator is calculated on the basis of billed expenditure. The indicators "Expenditure targetable" and "Expenditure targeted" are calculated on the basis of budgeted expenditure.

The Group indicators provide a snapshot, based on the overall scope of expenditure, of the proportion that is potentially targetable by CSR criteria and that which is actually covered.

Some types of expenditure (e.g. expenditure relating to rental guarantees, notary fees and financial expense) are labelled as "non-targetable" because CSR requirements cannot be realistically attributed to them.

Furthermore, a distinction is drawn between expenditure that is targeted by CSR criteria and expenditure that is covered by CSR assessments, the latter being more ambitious. On the one hand, CSR criteria include all types of possible action, such as expenditure that is covered by a responsible purchasing policy, contracts with a CSR charter or clause, and suppliers selected with help from CSR criteria and/or having undergone a CSR assessment or audit over the past three years. On the other, the "Expenditure covered by CSR assessments" indicator can be used to assess the initiatives that involve suppliers the most (solely using questionnaires and internal/external CSR audits), thereby potentially giving rise to improvement plans.

Selecting responsibly sourced products and materials

The Bouygues group's business segments are also developing policies for identifying more responsibly sourced products and materials, based on a risk analysis of various purchasing categories.

For example, Bouygues Construction's commitment to responsible purchasing of all-important timber is reflected in its measures to:

- combat the illegal timber trade;

- eliminate all sourcing of threatened wood-based products;
- increase the proportion of eco-certified timber purchases.

This policy is enacted as part of its partnership agreement with the WWF France, which was renewed for three years in 2017. Since 2014, Colas has won several awards for its new work clothes made in accordance with fair trade principles. In 2017, several types of action were taken such as improving existing models through feedback from users, creating a workwear line especially for women and continuing to apply procedures outside France.

On 30 August, Bouygues Construction held an Eco-Design Day to showcase the latest innovations, show the opportunities available and provide a forum for discussion with all employees working in Quality Environment teams.

Bouygues Immobilier, as part of its drive to improve air quality in its buildings and reduce pollutants responsible for VOCs (volatile organic compounds), only selects those products whose health labelling is A+. Labelling has been mandatory since 2012. This concerns materials and products, listed in nationwide catalogues, in direct contact with indoor air.

Use of the sheltered-workshop and disability-friendly sector

The use of companies in the sheltered-workshop sector, coupled with an effort to broaden the range of activities outsourced to these workshops, is a key part of the Group's responsible purchasing policy (see section 3.2.3.3). For example, Bouygues Construction in 2018 distributed a guide on purchasing from companies in the disability-friendly sector. At Bouygues Telecom, buyers have continued promoting the sector among staff. The target laid down in the three-year Disability agreement was surpassed.

Responsible purchasing

Lastly, the Bouygues group's business segments uphold responsible purchasing principles in accordance with the pledges set forth in the Bouygues "Conflicts of interest" compliance programme. This commitment is also enshrined and promoted in codes of ethical conduct followed by buyers at Bouygues Construction, Bouygues Telecom, TF1 and Colas^a, and by Bouygues Construction's conclusion of a charter for major accounts and SMEs as well as the SME Charter. The Group's worker health & safety requirements at its locations apply equally to employees, subcontractors and suppliers (see section 3.2.2.2).

In March 2018, TF1 was again awarded the "Supplier Relations & Responsible Purchasing" label for a further three years. This label recognises those companies that have demonstrated sustainable and fair relationships with their suppliers. One of the key actions in 2018 was the appointment of an internal mediator who can be contacted directly (mediateur@tf1.fr) by suppliers and subcontractors who have a grievance.

Lean management initiatives were conducted in several Bouygues Construction entities (Bouygues Maroc, Bouygues Energies & Services and Bouygues Bâtiment Ile-de-France) to improve payment times for suppliers and business partners. Since 2017, the rate of invoices paid on time based on this scope increased by 15 percentage points to nearly 90%. The target is 100%. In the meantime, TF1 has committed to halving the proportion of invoices paid late by 2021 through targeted actions.

Bouygues Construction aims to increase the proportion of purchases from local businesses^b to help in the development of the areas in which it is located. For France, this rate stood at 91% at the latest count. This is also a decisive criterion for worksites wanting to earn the in-house Top Site label.

In 2018, Bouygues Construction and Bouygues Telecom gave proof of their partnership-oriented ethos by bringing their suppliers together for specific events.

3.4.3.2 Supporting start-ups and SMEs

In the belief that open innovation between start-ups, SMEs and large firms can yield benefits, Bouygues began a Group-wide initiative^c in this area in 2015.

- The initiative is run in each business segment by a team responsible for co-development projects with start-ups, based on an allotted annual budget. Bouygues Développement, part of the Group's parent company, is responsible for selecting start-ups in search of seed money and providing innovation related to the operational topics identified by the business segments. A Group Open Innovation committee oversees the whole process and ensures that best practices are shared between the business segments.
- As part of its innovation drive, which draws on over 100 partnerships (with companies, universities, start-ups and NGOs), Bouygues Construction in 2015 founded Construction Venture, a fund investing in and supporting start-ups over a five-year period. So far, Construction Venture has invested in six start-ups.
 - Bouygues Construction is developing the "Matching Up" programme to connect start-ups with business providers and to support and speed up innovation projects within the group. As part of this initiative, 300 start-ups were tested in the field and around 15 involved in more ambitious cooperation. For the first time, the Matching Up challenge on the subject of smart cities took place last year in a target area, in Birmingham (UK), bringing together various parts of the Bouygues group (Colas Rail, Colas UK, Bouygues Construction UK, Bouygues Energies & Services UK and Metro Midland Alliance).
 - In 2018, Bouygues Construction also launched a new intrapreneurship programme, "New Value". In the 2017/2018 reporting period, six projects emerged on the topics of property development, affordable housing, smart cities, co-living^d, internal resources and urban services.
- The Innovation Unit at Colas has partnered with RB3D, a robotics (collaborative robotics) specialist, to develop "ExoPush", a cobot^e designed to help site workers with the manual application of asphalt mixes. Other deals have been sealed with start-ups in energy and in the development of innovative solutions for local

^a The Colas code is currently being drafted.

^b This means nationwide in this context.

^c For additional information, see section 1.1.4 of this document.

^d Several residents sharing an apartment or house for living, working and sharing in the common areas.

^e Category of robots (non-autonomous): "a robot intended to physically interact with humans in a shared workspace" (source: Wikipedia).

authorities.

- In 2015, Bouygues Immobilier founded BIRD (Bouygues Immobilier R&D), a subsidiary investing in start-ups focused on the property development sector. So far it has invested in around ten. Additionally, Bouygues Immobilier, through its Lyon regional branch, partners with Tuba, a project run by the Lyon Urban Data public-private consortium.
- TF1 has set up "One Innovation", a private equity vehicle holding an initial tranche of €2 million. Its aim is to provide financial support to between five and ten start-ups before their first or second rounds of fund-raising. In addition, TF1 has developed a Media for Equity strategy, whereby advertising slots are exchanged for equity stakes, thus enabling more mature start-ups with a mainstream slant to gain TV exposure.
- Bouygues Telecom has supported open innovation since 2009. In 2018, Bouygues Telecom Initiatives, the company's start-up accelerator, has started trials with:
 - Citodi, an assistant that allows technicians to optimise their rounds in real time by reacting to unforeseen events;
 - Deepomatic, a system using artificial intelligence to verify the compliance of network site installations through image recognition;
 - Predictice, a legal decision-support tool;
 - Assessfirst, a predictive solution for improving recruitment procedures.

In 2018, Bouygues partnered Viva Technology (24-26 May in Paris), a global trade fair dedicated to innovation and start-ups, for the second consecutive year. The Group's business segments hosted and promoted over 20 partner start-ups, especially via three challenge competitions based on the following themes:

- digital technology for urban healthcare;
- digital technology and worksite safety;
- new technologies and the circular economy.

Over the three days, TF1 (the official media partner of the event) set up a lab alongside around 30 innovative start-ups.

3.4.4 Responsible practices

3.4.4.1 Ethics and initiatives in place to guard against corruption

The Sapin 2 law of 9 December 2016 requires that senior executives of large companies take measures to prevent and detect acts of corruption and influence peddling, in both France and abroad.

The Group's Code of Ethics, disseminated since 2006, was updated in 2017 to take account of the provisions of the Sapin 2 law. It states that the Group's activity, especially the negotiation and performance of contracts, whether in the private or public sector, must not give rise to corruption, influence peddling or similar offences. It sets out the resulting obligations and responsibilities.

Code of conduct

The Group Anti-Corruption compliance programme, adopted in 2014, was updated in 2017 to factor in the provisions of the Sapin 2 law relating to the prevention of corruption. It corresponds to the code of conduct covered by article 17, paragraph II, point 1, of the law.

It is prefaced by Martin Bouygues, Chairman and CEO of the Group. The document states Bouygues' zero-tolerance stance on corruption and its position as to the duty of understanding and care that everyone must exercise, along with the resulting responsibilities – especially for senior executives.

It also lays down the measures relating to information, training and prevention, together with the monitoring and sanctions that must be carried out within each business segment. Furthermore, it summarises the appropriate legislation in force and devotes specific sections to Group rules and recommendations applicable to various practices that are prone to a risk of corruption, namely gifts and services, the financing of political parties, patronage, sponsorship, use of business intermediaries and lobbying.

The Group Ethics Officer within each business segment appoints an officer responsible for implementing the Group Anti-Corruption compliance programme.

Prevention

The Group's Anti-Corruption compliance programme specifies that all senior executives who have operational responsibility for a Group entity (subsidiary, branch, division, etc.) must implement appropriate corruption prevention and detection measures and ensure that these measures have been effectively applied. They are supported in this by the compliance officer and the ethics committee of the business segment.

Briefly, the following prevention measures are provided for by this compliance programme:

- Legal departments must ensure that information is properly disseminated and implement training that deals squarely with the risk of corruption in the entity concerned. They must have solid expertise in anti-corruption regulations and they must be able to call on the services of criminal lawyers who have been selected by the compliance officer.
- The Group has strict financial and accounting procedures in place, designed and implemented by the Group's entities and aimed at mitigating the Group's exposure to risk, particularly by preventing the use of payment systems for fraudulent or corrupt purposes.
- Delegations of authority to persons with responsibility for an entity, department or project, or to an individual who exercises a role within a sales or purchasing department, must clearly set out to those granted authorities their obligations to comply with anti-corruption laws.
- Group business segments are recommended to include, in the employment contracts of employees responsible for a subsidiary, entity, project, or sales or purchasing department, a clause setting out their obligation to refrain from engaging in corrupt practices. Furthermore, each business segment must ensure that all entities within its scope of responsibility integrate the compliance programme into their internal regulations.

- Pursuant to the Sapin 2 law, each business segment draws up a risk map to identify, analyse and rank the risks of its entities' exposure to external solicitations of corruption. This risk map, which is updated annually, should factor in the business sectors and geographical areas in which the entities operate.
- In accordance with the Sapin 2 law, each business segment implements procedures to assess the situation of its customers, direct suppliers, consultants, intermediaries and, more generally, its partners based on the corruption risk map. As partners do not all have the same risks, the assessment should be adapted to a specific risk analysis. The business segment ethics officer, in liaison with the relevant line managers, must therefore ensure that all of the business segment's entities can run an assessment process before entering into a business relationship with a partner, as well as during the business relationship.
- In accordance with the terms and conditions determined by each business segment, with the support of the compliance officer, an audit of the business segment's compliance with applicable legislation and the compliance programme must be carried out at the inception or end of all major projects, when launching a new business activity or when opening an operation in a new country, particularly if that country does not have a good reputation in terms of corruption.
- During the due diligence process prior to acquiring a company, special attention should be paid to the target company's compliance with anti-corruption regulations. Specific warranties must be obtained from the vendor, unless otherwise specifically agreed, justified and supervised in advance by the business segment's senior management, with the support of its compliance officer.

Training

The Sapin 2 law highlights the need to implement training for senior executives and other employees with the highest exposure to risks of corruption and influence peddling.

The Group Anti-Corruption compliance programme states that senior executives and employees involved in obtaining and negotiating contracts or purchases for their company must be aware of and understand the broad outlines of the anti-corruption laws and the risks involved if breached. Each business segment must therefore design and implement training adapted to the corruption risks specific to their operations and the regions in which they are active, comprising the following:

- general training in compliance with anti-corruption rules, to be introduced by each Group entity in the training modules aimed at different categories of employees;
- a simple and condensed training module available as an e-learning resource over the intranet, in line with the business segment's training policy;
- specific, more in-depth training for senior executives, managers and employees most exposed to the risk of corruption and influence peddling, especially for those liable to be posted to sensitive countries. Thus, within one year of their appointment, employees who are given responsibility for a subsidiary or equivalent entity, or a sales function, or an assignment within a purchasing department, are required to attend an anti-corruption training course run by or validated by the compliance officer of the relevant business segment.

Each business segment also organises training courses tailored to the different levels of management. These transmit the Group's ethical principles and values in practical ways, addressing the specific issues and risks associated with the business segment's activity.

Bouygues Construction

All existing training programmes for sales employees and future managers incorporate an ethics and compliance module. Following on from initiatives undertaken since 2011, the special ethics and compliance training plan has been implemented within each Bouygues Construction entity through training modules targeting specific categories of employees. In addition, an ethics component has been added to training programmes for young and experienced managers viewed as high potential, as well as to the legal training taken by buyers that have been in their posts for less than a year.



In order to expand and improve training performance, a specific e-learning module called "Fair Deal" was launched in December 2015

for 26,000 employees in France and abroad. The "Fair Deal" training programme is available in four different languages. Employees are shown real-life situations whose themes are corruption, anti-competitive practices, gifts and invitations, as well as patronage and corporate sponsorship actions. After an initial mandatory phase, the training module can now be freely accessed by all Bouygues Construction employees so that they can decide on the best time for them to follow it. In 2018, 38.6% of employees were trained using this module. Bouygues Construction maintains its target for 100% of employees to be trained in business ethics by 2020. "Fair Deal" has also been merged into "In'Pulse", Bouygues Construction's digital induction process (available in four languages), to make sure new employees are aware of ethics within three months of joining. In 2018, 23.2% of new recruits were trained using this module.

Bouygues Immobilier

Bouygues Immobilier's training courses on ethics continued in 2018:

- the e-learning module on business ethics, taught since 2016, is accessible on the "BI Learn" training platform in the Induction and Collective Actions sections. This practical module describes a number of actual situations that present an ethical risk. It is made available to all new recruits, across all French subsidiaries, as part of their induction process. At the end of 2018, 1,071 employees had followed the module out of Bouygues Immobilier's 1,969 employees, equating to 59% of the total headcount.
- A second e-learning module on business ethics has been offered since December 2018. It supplements the first module by examining the new requirements resulting from the Sapin 2 law and the law requiring duty of diligence for parent companies.
- BI Quest induction days for new recruits also raise awareness about ethical standards in the form of a video presentation by the ethics officer followed by a three-part knowledge test. In 2018, 221 employees followed this induction training.
- Bouygues Immobilier's intranet contains a section on business ethics standards and the latest requirements.

Colas

The “Business ethics and responsibility” training module, including compliance programmes, continued in 2018 both in France and abroad. It was offered at all subsidiaries for senior and middle managers. This training systematically includes business ethics and the implementation of compliance programmes. Since the training was introduced in 2016, nearly 5,000 employees have been trained, with special attention paid in 2018 to the international subsidiaries. The topic of ethics is regularly discussed at subsidiaries’ and group executive management committee meetings, regional meetings and business unit managers’ meetings.

The “Ethical and Accountable Leadership” training programme, which promotes discussions about business ethics and the individual and collective accountability of senior managers at Colas group subsidiaries, also continued throughout 2018, in and outside France. This programme, designed for all branch managers and directors of subsidiaries, has so far been followed by close to 700 managers.

Colas subsidiaries in North America continued their roll-out of a specific communication and training programme on ethics:

- in the US, training sessions for managers and worksite supervisors were held on the topic of anti-competitive practices as well as on gifts and invitations given by third parties. In parallel, each subsidiary regularly holds local training sessions on ethics-related topics. The online ethics training programme also continued in 2018. All employees of US subsidiaries with an e-mail address were assigned online modules relating to data security and behaviour in the workplace. Nearly 4,000 US employees were trained through these various courses. All employees have been invited to view the Bouygues Code of Ethics and the Colas USA Code of Conduct online and to confirm that they have read them carefully.
- In Canada, Ethics and Compliance Programme training was delivered to nearly 550 employees in 2018. A new whistleblowing system for employees was introduced across Canada in 12 June 2017. It is available in both French and English and run by an independent third party. A communication campaign informed all the employees of the Canadian subsidiaries about the service. In addition, the overhaul of the Colas Canada intranet provided an opportunity to reiterate the obligations with regard to business intermediaries, corporate patronage and sponsorship, gifts and invitations.

The Fair Play e-learning ethics training, which takes the form of a serious game^a, was rolled out during the second half of 2017 across all the French subsidiaries. Of the 3,500 employees targeted, 92% completed this e-learning module. Other training sessions are scheduled for subsidiaries outside France and new hires.

TF1

Following on from its ethical initiatives in 2017, TF1 continued to raise awareness of issues among its employees. In 2018, the focus was on the General Data Protection Regulation (GDPR) and the Sapin 2 law. A presentation of arrangements under the Sapin 2 law was given to members of the General Management Committee. It was then given to each management committee, emphasising TF1’s policy on gifts and invitations as well as managing conflicts of interest.

Bouygues Telecom

In 2018, Bouygues Telecom continued promoting an ethical business culture within the company and implemented an anti-corruption mechanism pursuant to the Sapin 2 law. It also worked on risk mapping, strengthened training and added a specific platform to its corporate whistleblowing facility. The following measures were taken in the area of training:

- Modules dealing with corruption and related offences continued and were expanded in 2018:

Two new classroom-based sessions were held. The training, given by a criminal lawyer, was aimed at all employees designated by line managers as highly exposed on account of their work. Over 400 employees received this training in 2018, bringing the total to 587 since 2017.

A new e-learning module on combating corruption was co-designed with an outside company. Using a mix of role play videos and knowledge tests, this module explains the concepts of corruption and related offences in a clear and simple manner while detailing possible situations in which risks could arise and what to do if that happens. This e-learning module is mandatory for all employees. A broad in-house campaign on this module was run for several days, involving:

- the airing of a teaser on all screens at Bouygues Telecom’s sites in France;
- distribution of an internal memo over the intranet.

In total 2,623 Bouygues Telecom employees have taken this module to date.

- *Ad hoc* training sessions, reserved for managers, were run to raise general awareness about ethical policies. During these sessions, the anti-corruption mechanism was discussed and supplemented with recommendations on what type of behaviour to adopt. So far, managers at the B2B division have been trained, especially those in sales roles. The aim is that the managers trained will then pass on the main points to their teams.

This training is to be expanded to include other divisions and subsidiaries within Bouygues Telecom.

Group seminars

Since the early 2000s, the Group has promoted key values such as business ethics, respect and responsibility through a range of seminars aimed at managers. The purpose of each seminar is to create space for dialogue and discussion in which each participant not only learns more about the Group’s positions but also must identify and clarify their own convictions as a way of guiding their behaviour and management style. Since 2002, over 70 seminars have been held, organised by the Bouygues Management Institute (IMB), bringing together more than 1,000 employees from the business segments. The closing address each time has been given by a senior executive of the Bouygues group. In late 2018, a new seminar on business ethics, focusing on corruption and collusive practices, was held for corporate officers. In 2019, it will be dispensed to all Group managers, starting with members of the subsidiaries’ executive or management committees.

^a An app that combines the serious aspects (Serious) of instruction, learning, communication or information, with the fun aspects of video games (Game) – based on the definition of researcher Julian Alvarez.

The corporate whistleblowing facility

The compliance programme states that senior executives or employees who are aware of a practice that might be considered as corrupt should inform their hierarchy and Legal department immediately.

Senior executives or employees may also use the corporate whistleblowing facility provided by the Group's Code of Ethics. This facility covers corrupt practices. It has been updated to include the provisions of the Sapin 2 law. In principle, the ethics officer of the relevant business segment is the designated recipient of the whistleblowing alert. This person is the "référént désigné" stipulated by the Sapin 2 law. Exceptionally, if the whistleblower believes the situation goes beyond the scope of the business segment, the whistleblowing alert may be sent directly to the Group Ethics Officer. The procedure to be used for raising, receiving and processing whistleblowing alerts is described in the Code of Ethics and in its appendix (entitled "Procedure and rules pertaining to the receipt and processing of whistleblowing alerts").

Internal assessment

The Sapin 2 law requires companies to run internal assessments to evaluate the measures in place.

Combating corruption is a theme of the Group's Internal Control Reference Manual. A business segment may add specific provisions to this manual where necessary to make the compliance programme more effective.

Its effectiveness is monitored annually by means of a self-assessment of the internal control principles implemented in the business segments and their subsidiaries.

Should the self-assessment reveal deficiencies in the implementation of the compliance programme, an action plan will be drawn up and implemented promptly.

Audit departments, assisted by the compliance officers, may be periodically asked to check that operations comply with the principles of the compliance programme and the Group's and business segment's Internal Control Reference Manual. Where required, the conclusions of the internal audit report are disclosed to the business segment ethics committee.

External audit firms may be appointed by the Group or a business segment to detect any instances of corruption, especially when the Group or the business segment has reliable indications suggesting that there has been wrongdoing.

Disciplinary sanctions

The Sapin 2 law requires that companies implement disciplinary sanctions that will apply to its employees in the event of a breach of the company's code of conduct.

The compliance programme stipulates that when a company discovers an incidence of corruption, it should verify the facts and consult the necessary internal and external advisers before taking any legal action such as filing a complaint with the legal authorities. Senior executives or employees who breach the provisions of the compliance programme or engage in bribery or corruption will be liable to punishment, which may include termination of their executive office, disciplinary action and dismissal, even if no legal action is taken. Senior executives and employees will be responsible for paying any fines and other financial sanctions imposed on them by a court.

3.4.4.2 Accessibility of offers and services

The Bouygues group aims to make its products and services widely accessible, especially those of its media and telecoms businesses.



To help narrow the digital divide, the French government and mobile phone operators, including Bouygues Telecom, in January 2018

signed an agreement outlining a "new deal" for the mobile industry, which aims to speed up roll-out of 4G in areas where network coverage is poor, focusing on so-called blind spots. In these zones, each operator has agreed to build at least 5,000 new sites, some of which will be shared.

In addition to this agreement, Bouygues Telecom in May 2018 reaffirmed its commitment to all parts of the country, especially rural areas. It signed a partnership with a not-for-profit body representing rural mayors of French municipalities with less than 3,500 inhabitants. This contained an undertaking to improve digital coverage.

As part of its local development strategy, Bouygues Telecom has since June been testing a new arrangement aiming to offer free Wifi access at several cultural sites in rural municipalities.

In rural areas, Bouygues Telecom was for the first time ranked No.1 in terms of mobile-network service quality. Nationwide it ranked second (behind Orange)^a.

Since 2005, Bouygues Telecom has been working to help disabled people access electronic communications services. One way has been making customer services accessible to people with total or partial hearing loss. Another is the offer of free installation of speech recognition and magnification software for customers who have impaired vision. Pursuant to a law passed in 2018, Bouygues Telecom and other members of the French Telecoms Federation launched the first telecommunications service accessible to the deaf, hard of hearing, blind and aphasic. This service aims to give independence to five million deaf or hearing-impaired people in France as well as 500,000 people who usually require assistance to make telephone calls.

The TF1 main channel ensures that its programmes are accessible, especially to people with impaired hearing (subtitling or sign language) or vision (audio description). The theme channels operated by TF1 have gone beyond statutory requirements in their subtitling. TF1 has also signed the CSA's

^a Source: Arcep (2018).

(French broadcasting authority) Charter on Subtitling Quality. To improve accessibility to digital content, the TF1 group introduced FACIL'iti on its MYTF1 and LCI websites. This solution enables internet users to read web pages in a format adapted to their disability based on data they have supplied on the FACIL'iti website.

3.4.4.3 Security of personal data

The protection of personal data^a has become an increasingly important issue for the Group's media and telecoms businesses since 2013.

This issue has become even more important following enactment of the European Union's General Data Protection Regulation (EU) 2016/679 (GDPR), which since May 2018 has applied to all companies collecting, processing and storing personal data whose use may directly or indirectly identify an individual. The purpose of this regulation is to increase the rights of individuals over their personal data.

Consequently, TF1 has appointed a Data Protection Officer (DPO) and has a group-wide GDPR policy comprising internal rules and guidelines by area of business that all TF1 employees must uphold. To assist in the learning process, all the internal rules have been converted into tutorials to make understanding GDPR requirements more engaging for employees. These rules can also be consulted on the company's intranet. The GDPR section is currently being adapted to include the full range of new resources so that mandatory documentation is readily available to employees.

In addition, it became clear that operational and legal staff needed training on data security. This has focused on:

- key concepts such as encryption, pseudonymisation, data anonymisation, authorisation management and traceability;
- requesting the right security measures when negotiating contracts.

The sites and apps produced by e-TF1 comply with all the legal provisions governing the use of personal data. e-TF1 works closely with CNIL^b when declaring new processing of personal data or updating existing personal data. The privacy policy governing users' personal data can be consulted on all digital assets and must be agreed to when registering for services. Concerning recommendations relative to cookies and other tracking files covered by Article 32-II of the law of 6 January 1978 ("la Délibération"), e-TF1 regularly checks – chiefly through cookie audits – those files placed during visits to the electronic communication services published by e-TF1 (standard and mobile websites, applications) to ensure that they are lawful.

Likewise, e-TF1 makes it clear in contracts signed with tech, publishing and advertising partners that regulations on the protection of user data must be respected. The web sites produced by e-TF1 now have a cookies policy. Furthermore, e-TF1 has introduced technical mechanisms that allow users to directly deactivate third party cookies. For more information, read TF1's 2018 registration document available at the following address: www.groupe-tf1.fr

Bouygues Telecom attaches a great deal of importance to the protection of its customers' personal data. In 2002, the company set up a dedicated unit responsible for applying the provisions of the French Data Protection Act, and particularly for the processing of the requests (from individuals or CNIL) that may be made within this framework. Furthermore, data governance has been introduced, comprising data processing documentation, data classification, the procedures to be applied, project validation committees and regular sessions to raise awareness amongst employees and subcontractors.

A special GDPR working group was set up in 2016, working, among other things, on the new information that Bouygues Telecom will be required to make available to its customers. In 2018, training in various formats (classroom-based or via video) was dispensed to employees. A specific section on the intranet details how their own personal data is protected.

Finally, since 2016, Bouygues Telecom's website has provided factsheets that advise customers on how to protect their data and their privacy (protection of passwords, management of confidential personal information on the internet or protection from web-borne viruses, etc.). Since May, the privacy policy and legal information for customers have been available on the company's website.

3.4.4.4 Ethical reporting

Upholding its public commitments in the area of ethical news coverage is a key concern for the TF1 group.

- The TF1 News department is tasked with ensuring that ethical principles common to the industry are followed in its newsrooms.
- Of the 240 journalists employed by TF1 in its newsrooms, approximately 75% are members of the TF1 Journalists' Association (set up shortly after TF1's privatisation), whose role is to create a space for dialogue in which all issues relating to ethical reporting and journalists' integrity and independence can be discussed. At any time of the year, the association can request a meeting with the Head of News.
- In France, the main journalist trade unions have adopted an ethical charter setting out professional standards for the industry. It can be consulted on the website of the SNJ (Syndicat National des Journalistes). These principles apply to TF1 group journalists with official press credentials.
- In 2017, a committee of leading independent experts was set up to help ensure compliance with the principles of honesty, independence and diversity of viewpoints in news gathering and programmes on TF1 group channels.
- In 2018, the News department continued to work on an ethical charter specifically for TF1 group journalists, taking into consideration the text of law No. 2016-1524 of 14 November 2016 on strengthening freedom, independence and diversity of viewpoints in the media. The rights, obligations and principles laid out in this charter will apply to all journalists, including those working in digital media – who are already expected to abide by the various ethical commitments made by the News department.

The TF1 News department pays extremely close attention to image sources and prohibits the use of amateur video clips when their origin cannot be accurately ascertained. When amateur videos that can be cropped and edited are used, it inserts the message "amateur video", specifying the date on which the images were recorded, if necessary.

^a "Personal data means any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to them." Article 2 of French Data Protection Law 78-17 of 6 January 1978.

^b The French Data Protection Authority.

3.4.5 Product and service quality, safety and comfort

At the Bouygues group, the respect of customers and users for its products and services is a core value common to all its activities. This mindset is especially prominent in the commitments that it upholds for protecting the health and safety of users, as well as the requirements that it imposes on the quality and user comfort of its products.

3.4.5.1 Protecting consumer and user health and safety

Air quality within buildings

Bouygues Construction and Bouygues Immobilier have been working for several years to improve the air quality of their buildings. They have begun measuring this and are striving to improve it through the use of suitable materials and more efficient ventilation systems that can be regulated in real time using sensors.

In 2017, Bouygues Immobilier staff based in Toulouse helped design a special label attesting to indoor air quality in new housing: IntAIRieur. It is backed by Immolab and was the brainchild of property and construction experts with help from healthcare professionals. Intairieur, which was launched in early 2018, was applied to Oreka, a development of 174 housing units located in the Séqué eco-neighbourhood in Bayonne. This development will be the first housing project carrying the label in France.

Electromagnetic fields

Bouygues Telecom contributes through the Ifer^a tax to the financing of electromagnetic-field measurement by companies certified by the French Accreditation Committee (Cofrac). This is carried out in accordance with new government rules on electromagnetic-field measurement, in force since January 2014. Findings can be consulted by visiting cartoradio.fr.

Additionally, Bouygues Telecom in 2017 contributed to the updated version of the French Telecoms Federation's brochure on mobile phones and health, which takes into account the Anses^b recommendations on children's exposure to radiofrequencies. The new version is distributed to all new customers and to existing ones when they change their SIM card. Bouygues Telecom has also changed its trade practices for marketing handsets so that each mobile phone that is distributed meets the new European Radio Equipment Directive (RED).

Finally, Bouygues Telecom has signed a new mobile telephone charter with the Municipality of Paris to define a single ceiling for radiofrequency exposure in Paris^b.

Road safety

Colas carries out R&D in several areas to meet road safety challenges, focusing on:

- producing a range of high-performance road surfaces that provide better tyre grip (textured and/or draining products to limit skidding in rainy weather);
- improving visibility (work on road markings in cold or wet weather and at night);
- manufacturing road safety equipment (by Aximum, its road safety and signalling subsidiary).

As part of its Safer@Work research project, Colas and Volvo CE (Construction Equipment) are partnering to create a people-detection system. It was tested at two Colas sites: a mixing plant and a quarry in Switzerland. The concept uses artificial intelligence to warn the plant operative when a person is detected near the machine. It incorporates different kinds of warnings, both for the driver and for people on the ground, thus reducing the number of accidents on worksites. In March 2018, the final trials relating to the third cycle of testing and demonstration by Volvo CE on excavators, wheeled loaders and dumper trucks were carried out on Colas worksites in Switzerland.

Flowell, a dynamic road marking solution for smart and scalable roads

Colas unveiled Flowell in 2017 as part of its innovation strategy, which aims to offer solutions to improve road use for the transportation of the future. Flowell is a dynamic, adaptable and scalable road-marking solution that will optimise urban space, traffic flow, safety, and the coexistence of multiple forms of transport on the same road surfaces.

The Flowell solution, developed by Colas R&D in collaboration with CEA Tech^c, makes it possible to organise the shared space of roads and city streets thanks to a system based on the dynamic control of light-emitting signalling. Installed on existing roads, Flowell offers a great degree of flexibility and adapts the infrastructure to the needs of the local authority, in both urban and rural areas, in real time.

Flowell can streamline traffic on existing roadways by giving priority to certain users over specific time periods. For example, local authorities can turn parking spaces reserved in the daytime for deliveries into car parking spaces at night. They can also create temporary drop-off spaces around schools, and secure pedestrian crossings by enhancing their visibility and that of pedestrians with light-emitting markings. Several trial sites have been deployed to test the solution in real-life conditions. The goal is to obtain feedback from local authorities and users on how relevant and easy-to-use the applications are and, where applicable, how well they integrate into urban environments. An initial trial was run in the Vendée region of France. Here a zebra crossing next to a bus stop lights up whenever a school bus pulls in.

Additionally, Bouygues Construction has installed a full CCTV surveillance system for the Abidjan motorway and bridge (Ivory Coast). This covers a total stretch of eight kilometres. Incidents are detected automatically through real-time image analysis. For example, it can detect stoppages on the motorway and unusual behaviour by pedestrians.

^a The French Agency for Food, Environmental and Occupational Health and Safety.

^b This is set at five volts per metre at a 900 MHz frequency in indoor living spaces.

^c The French Alternative Energies and Atomic Energy Commission's technology research unit.

Elsewhere, as part of the Dijon smart city project, Bouygues Energies & Services has developed a road-traffic regulation system that uses an immediate warning system so that the relevant municipal services can take immediate action.

3.4.5.2 Product and service usage quality

The Bouygues group's aim is for quality and user comfort to be the distinguishing features of its products and services.

For example, the eco-neighbourhoods built by Bouygues Construction and developed by Bouygues Immobilier represent a huge stride forward in improving residents' quality of life, via the provision of convenience services, soft mobility, digital services and urban biodiversity. To promote social cohesion, the Bouygues group has joined forces with the start-up Smiile to put in place neighbourhood networks that encourage interaction between residents through sharing, lending a helping hand or organising joint events.

For the structures that it builds, Bouygues Construction thinks ahead about every possible issue, employing user surveys to gauge the effectiveness of existing products and services.

For several years, Bouygues Construction has been studying the value in use of the office buildings that it builds, with the aim of creating a system for estimating the impact of technical and functional solutions on occupant performance. A reference base has been developed, and a working group of large corporations^a (set up in 2016) has been testing the initiative on the basis of field surveys. These surveys have highlighted the advantages of taking usage-quality criteria into account right from the office design phase. Encouraged by its feedback, which has shown that it is on the right track, the working group (now known as Vibeo) has agreed to work together in 2019 on the concept of value in use. It will specifically be researching the correlation between value in use and the various industry certifications, the method's application to facility management, adaptations to new building types (schools, hospitals and housing) and plans to draft a design handbook to help operational staff make decisions in the early stages of projects.

Bouygues Construction and Bouygues Immobilier both offer connected services to their residential customers.

- Bouygues Immobilier's Flexom, released in 2016, can be used to manage household features such as lighting, shutters or heating, either from inside the apartment or remotely, with a smartphone or tablet. Since the solution was launched, over 16,000 homes equipped with Flexom have been marketed. Bouygues Immobilier has pledged that all homes handed over in France will be equipped with Flexom by 2020.
- Bouygues Construction's Wizom offer can be used to manage housing units on the scale of an entire building. It has already been fitted to several residential properties in the Paris region, including a social housing development. In April 2018, Bouygues Construction unveiled its adaptable housing offer, "Wizom for Life", which provides support to occupants at every stage of their lives. The concept was shown to be effective and validated as a result of several trials, such as at the Azais residence in Sanguinet (Landes), Les Résidences Vertes in Pulnoy (Meurthe-et-Moselle) and Ivry Confluences in Ivry-sur-Seine (Val-de-Marne).

Lastly, the Group's Media and Telecoms activities endeavour to shield younger viewers from the risks arising from television and the web. For the past ten years, a psychologist systematically views TV series for teenagers bought or co-produced by TF1, working closely with the creative team. This person can suggest edits and may even certify episodes as not apt for broadcasting, if images are deemed inappropriate for younger viewers. These recommendations are always followed.

Bouygues Telecom operates a proactive policy to shield children and teenagers from inappropriate web content. On 6 September 2018, Bouygues Telecom held a public debate in an original format that effectively put the mobile phone on trial, debating the positive and negative effects of mobile phones on children's behaviour. To run this "show trial", Bouygues Telecom commissioned the organisation Usbek & Rica.

In 2018, after publishing two papers on French digital technology usage (produced by market research body Institut CSA), Bouygues Telecom introduced a series of initiatives to promote sensible use of digital technology among young people:

- a media awareness campaign in the daily and weekly press;
- a guide on digital best practices for children and their parents, distributed through Bouygues Telecom stores (and sent to the 88,000 young people who subscribe to *Okapi* magazine);
- a special offer for young teenagers, available for one month, to help them manage usage and costs, that included capped calls and one year of premium parental control;
- on the bouyguetelecom.fr website, a special "back to school" button on which parents can click for advice and answers to questions such as whether parents should purchase a capped call plan for their teenager or whether plans with a high data allowance are a good idea.

3.5 INDEPENDENT VERIFIER'S REPORT ON THE CONSOLIDATED EXTRA-FINANCIAL PERFORMANCE STATEMENT PRESENTED IN THE REGISTRATION DOCUMENT (YEAR ENDED 31 DECEMBER 2018)

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Assembly,

^a Gecina, Covivio, EDF, Bouygues Construction and Goodwill Management, joined in 2017 by Sercib BNP Paribas, Bolloré Transports & Logistics, Engie, Ivanhoé Cambridge and Saint-Gobain

In our quality as an independent verifier, accredited by COFRAC under the number n° 3-1050 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of your entity (hereafter "entity"), we present our report on the consolidated extra-financial statement established for the year ended on the 31 December 2018 (hereafter referred to as the "Statement"), presented in the Registration document pursuant to the provisions 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

It is the responsibility of the Board of Directors to establish the Statement in compliance with the legal and regulatory provisions including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies applied regarding these risks, as well as the results of these policies, including key performance indicators.

The Statement has been established by applying the procedures of the entity (hereinafter referred to as the "Criteria"), the significant elements of which are presented in the Statement and available on request at the entity's headquarters.

Independence and quality control

Our independence is defined by regulatory requirements pursuant to the provisions of Article L. 822-11-3 of the French Commercial code (*Code de commerce*) and the Code of Ethics of our profession. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work, to express a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to paragraph 3 of I and II of Article R. 225-105 of the French Commercial Code, namely the results of the policies, including key performance indicators, and the actions related to the main risks, hereinafter the "Information".

It is also our responsibility to express, at the entity's request and outside the scope of accreditation, a reasonable assurance that the information selected by the entity and identified by the sign * in Appendix 1 (hereinafter the "Selected Information") has been prepared, in all material respects, in accordance with the Criteria.

Nonetheless, it is not our responsibility to express any form of conclusion on:

- the compliance by the entity with other applicable legal and regulatory dispositions, particularly regarding the vigilance plan and the fight against corruption and tax evasion;
- the compliance of products and services with applicable regulations.

1. Limited assurance report on the compliance and fairness of the Information

Nature and scope of the work

Our work described below has been carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, determining the procedures in which the independent third party conducts its mission and according to professional standards as well as the international ISAE standard 3000 - *Assurance engagements other than audits or reviews of historical financial information*.

The work that we conducted enables us to assess the compliance of the Statement with the regulatory provisions and the fairness of the Information:

- We took note of the activity of all the companies included in the scope of consolidation, the statement of the main human resources and environmental risks related to this activity, and, if applicable, its effects regarding compliance with human rights, the fight against corruption, tax evasion as well as the resulting policies and their results;
- We assessed the suitability of the Criteria in terms of its relevance, comprehensiveness, reliability, neutrality and understandability by taking into consideration, if relevant, the best practices of the industry;
- We verified that the Statement covers each category of information provided in III of Article L. 225-102-1 of the French Commercial Code regarding human resources and environmental matters, as well as the respect of human rights and the fight against corruption and tax evasion;
- We verified that the Statement presents the business model and the main risks related to the activity of all the companies included in the scope of consolidation, including, if relevant and proportionate, the risks created through its business relationships, products or services, policies, actions and results, including key performance indicators;
- We verified, when relevant to the main risks or the policies presented, that the Statement presents the information provided for II in Article R. 225-105 II of the French Commercial Code;
- We assessed the process of selecting and validating the main risks;
- We inquired about the existence of internal control and risk management procedures put in place by the entity;
- We assessed the consistency of the results and key performance indicators selected regarding the main risks and policies presented;
- We verified that the Statement includes a clear and reasonable explanation for the absence of a policy regarding one or more of these risks;
- We verified that the Statement covers the consolidated scope, i.e. all the companies included in the scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code, with the limitations specified in the Statement;
- We assessed the collection process put in place by the entity for the completeness and fairness of the Information;

- We implemented, for the key performance indicators and other quantitative results that we considered the most important presented in Appendix 1:
 - at the level of the consolidated entity and its five business segments (Bouygues Construction, Bouygues Immobilier, Colas, TF1, Bouygues Telecom), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency;
 - at the level of the two most contributing business segments to the environmental and human resources impacts (Colas and Bouygues Construction), we undertook detailed tests on the basis of sample, consisting in checking the correct application of definitions and procedures, and reconciling the data with supporting documents. This work was carried out with a selection of contributing entities listed hereafter: Bouygues Bâtiment Ile de France – Habitat résidentiel, Bouygues Entreprises France-Europe - Bouygues Bâtiment Nord-Est, Bouygues Entreprises France-Europe – Bouygues Bâtiment Grand-Ouest, Bouygues Bâtiment International – Bouygues UK, Bouygues Travaux Publics - Moyen Orient, Colas Rhône-Alpes Auvergne, Colas Danemark, Colas UK, Colas Australia Group, Colas USA, which cover 20% of the activity and 14% of the workforce, considered as representative quantities;
 - at the level of the three other business segments (Bouygues Immobilier, TF1 and Bouygues Telecom), supporting documents available at headquarters level cover most of the activities;
- We consulted documentary sources and conducted interviews to corroborate the qualitative information (actions and results) that we considered the most important presented in Appendix 1;
- We assessed the overall consistency of the Statement with our knowledge of all the companies included in the scope of consolidation.

We consider that the work conducted by exercising our professional judgment allows us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work.

Means and resources

Our verification work mobilized the skills of twelve people and took place between September 2018 and February 2019 on a total duration of intervention of about twenty-two weeks.

We undertook interviews with about fifty persons responsible for the preparation of the Statement representing, in particular, the following functions: the general management, administration and finance, risk management, compliance, human resources, health and safety, environment and purchasing.

Conclusion

Based on this work, we did not identify any significant misstatement that causes us to believe that the extra-financial statement does not comply with the applicable regulatory provisions and that the Information, taken together, has not been fairly presented, in compliance with the Criteria.

Comments

Without qualifying our conclusion above and in compliance with the provisions of Article A. 225-3 of the French Commercial Code (*Code de Commerce*), we draw your attention to the following points:

- in terms of integrating CSR criteria into the purchasing policy, Colas does not specify the means implemented;
- in terms of the circular economy, Bouygues Construction's actions are not structured around a clearly defined policy.

2. Reasonable assurance report on the Selected information

Nature and scope of the work

Concerning the Selected Information chosen by the entity and identified by the sign * in Appendix 1, we carried out work of the same nature as those described in paragraph 1 above for the key performance indicators and other quantitative results that we considered the most important, but in greater depth, in particular with regard to the scope of the tests.

The selected sample thus represents between 50% and 67% of the Selected Information.

We believe that this work allows us to express a reasonable assurance on the Selected Information.

Conclusion

In our opinion, the Selected Information has been established, in all material respects, in accordance with the Criteria.

Paris-La Défense, 20 February 2019

French original signed by:

Independent Verifier
ERNST & YOUNG et Associés

Eric Mugnier
Partner, Sustainable Development

Jean-François Bélorgey
Partner

Appendix 1: Most important information

HUMAN RESOURCES INFORMATION

Quantitative information	Qualitative information
Headcount at 31 December 2018	Health and Safety policy
Percentage of women with manager status	Remuneration policy
Frequency rate of workplace accidents among staff (excluding occasional workers for TF1)*	Skills development
Severity rate of workplace accidents among staff (excluding occasional workers for TF1)*	Promoting diversity and equal opportunity

ENVIRONMENTAL INFORMATION

Quantitative information	Qualitative information
Materials production activities that use a tool to manage environmental impacts (% of sales before inter-company eliminations)	Recycling, reuse and recovery of waste from construction activities
Asphalt pavement recycled in order to reclaim bitumen*	Sustainable use of resources
Recycling rate of excavated raw materials	Low-carbon solutions and reducing the carbon footprint
Recycling rate of non-hazardous waste	Taking biodiversity into account
Handsets collected for recycling or re-use	
Energy consumption and energy costs	
Greenhouse gas emissions by source	
Share of aggregates production sites working to promote biodiversity (% of sales before inter-company eliminations)	
Number of construction projects with the BiodiverCity® label	
Surface area (m ²) carrying the BiodiverCity® Ready label or covered by a commitment to obtain it	
Buildings in the annual order intake with a commitment to environmental labelling or certification prescribed by Bouygues Construction	
Share of worksites carrying the Top Site label	
Percentage of R&D expenditure dedicated to CSR	
Number of smart grids to be rolled out	
Number of passive/positive-energy homes being built or handed over in the full year	
Surface area of Green Office® commercial property developments in operation during the reporting period in m ²	
Prevention of environmental risks	

SOCIAL INFORMATION

Quantitative information	Qualitative information
Percentage of expenditure subcontracted to local companies	Dialogue with stakeholders
Materials production sites working to promote dialogue with local communities (% of sales before inter-company eliminations)	Integration of CSR criteria into the purchasing policy
	Ethics and actions taken to prevent corruption
	Security of personal data
	Journalistic ethics

and conditions of purchase.

The effectiveness of these measures is assessed through monthly reports, internal audits (e.g. inter-subsidary cross-audits) and external audits (e.g. CSR audits performed by EY). Other measures contribute to the Safety policy, such as the “Goal Zero” campaign in North America and ISCI at Spac, a Colas subsidiary.

As regards subcontractors and suppliers, some measures are taken at local level. They include health and safety commitments required of the subcontractor during the tendering process, and regular reference to the Group’s CSR Charter for Suppliers and Subcontractors in framework agreements negotiated with suppliers. Colas will step up the roll-out of this system in 2019 and strengthen it further based on the risk mapping, in order to assess the key suppliers with which it has an established business relationship. Colas already imposes safety requirements on its listed temporary employment agencies.