

	AMBITIONS	KEY FIGURES	ACTIONS IN 2009
ECONOMIC AND COMMERCIAL CHALLENGES	Foster a trusting relationship with our customers, based on consideration, transparency and innovation.	82% of sales generated in triple certified operating units.	<ul> <li>Progress in Quality Safety Environment triple certification in the entities.</li> <li>Customer satisfaction surveys clients in general use, increasingly carried out by outside institutes.</li> <li>Business ethics: Code of Ethics distributed to all personnel, training of managers and definition of a corporate action plan.</li> </ul>
	Take account of risk control in the day-to-day management of the company.	84% of sales for which a formal environmental risk analysis has been carried out.	<ul> <li>Rollout of a common methodology for risk analysis in the Bouygues Construction entities (identification, characterisation, evaluation and ranking of the major risks) in the context of strengthening the Group's internal control procedures.</li> </ul>
	Establish balanced relationships with suppliers and subcontractors.	<ul> <li>79% of sales generated by operating units that have appended the Supplier CSR Charter to supplier and subcontractor contracts.</li> </ul>	<ul> <li>Responsible purchasing policy, directed by a dedicated Committee: training of purchasers, catalogues of eco-friendly products and equipment, CSR Charter appended to contracts, etc.</li> <li>Evaluation of suppliers' CSR performance by a third party (Ecovadis), audits of new suppliers in emerging countries (74 audits in 2009).</li> </ul>
SOCIAL AND COMMUNITY CHALLENGES	Lead our business sectors in terms of occupational health and safety.	82% of sales generated by OHSAS 18001 certified units.     Frequency rate for workplace accidents: 10.64.     Severity rate for workplace accidents: 0.39.	<ul> <li>Awareness-raising campaigns on health, site safety and road safety, targeting 33,000 employees.</li> <li>Safety training programmes adapted for different targets (site workers, foremen, site supervisors and managers).</li> <li>Safety campaigns extended to subcontractors: training modules, guides.</li> </ul>
	Develop our employees' skills.	52% of employees have received training during the year.	<ul> <li>Active training policy (over 5% of the payroll in France), based on internal training centres (Bouygues Construction University, Gustave Eiffel Apprentice Training Centre, etc.).</li> <li>Training modules in sustainable development and sustainable construction incorporated in Bouygues Construction University programmes.</li> </ul>
	Foster diversity in the company.	<ul> <li>18% of female managers.</li> <li>13% more disabled employees in France.</li> </ul>	<ul> <li>Diversity policy directed by a Diversity Committee responsible for coordinating subsidiaries' initatives.</li> <li>Equal Opportunities training (220 people trained).</li> <li>Implementation of agreements concluded in 2008 on equal opportunities for women and signature of agreements of employment of older people in all French subsidiaries.</li> </ul>
	Participate in the economic and social life of the regions where we operate.	334 partnerships supporting social integration, education and health initiatives.	<ul> <li>Numerous social and professional inclusion operations, including work opportunities for young people identified by the EPIDe an agency of the French armed forces), "Gateway to Employment" programme in the Paris region to help young people and adults find work (90 people aided), partnership between ETDE and France's National Neighbourhood Association.</li> </ul>
ENVIRONMENTAL CHALLENGES	Take greater account of environmental issues in designing structures.	29% of buildings with an environmental label or certification included in orders booked.	<ul> <li>Creation of an Innovation, R&amp;D and Sustainable Construction department, coordinating a network of 150 in-house experts. Principal innovations in 2009: the Tikopia "concept building" (a passive resiential mini-tower); Thermedia™ 0.6 B, a structural insulating concrete developed in partnership with Lafarge, with thermal conductivity one third that of conventional concrete; Hypervision, a supervisor for managing the energy consumption of buildings in operation.</li> </ul>
	Reduce the environmental impact of our businesses.	<ul> <li>84% of sales generated by ISO 14001 certified units.</li> <li>301 "Chantier Bleu" sites in Europe.</li> </ul>	<ul> <li>Creation of the Ecosite label recognising the implementation of environmental standards for construction sites shared by all entities.</li> <li>Reduction of nuisance for local residents: software to simulate and master site noise, self-compacting concrete to eliminate vibrations.</li> </ul>
	Reduce carbon emissions arising from our businesses.	330 carbon audits carried out on buildings and engineering structures with CarbonEco®.	<ul> <li>Roll-out of CarbonEco® software, used to establish carbon audits of various types of buildings and structures.</li> <li>Research into "low carbon" solutions: energy consumption, materials, building methods.</li> </ul>

#### **TARGETS FOR 2010**

- Roll-out of tools for developing sustainable construction offers: Q&A kits for sales teams, training in sustainable construction (1,400 people trained since 2008), low-consumption building design guide, etc.
- Encouraging customers to opt for sustainable construction (e.g. new training programme to help sales and technical teams to be proactive over environmental certification in other countries).
- Creation of a Sustainable Construction club as a forum for cross-fertilising ideas with customers and partners of Bouygues Construction.
- Roll-out of action plan on business ethics: whistle-blowing procedures for anticompetitive practices, more thorough investigation prior to appointing salespeople, creation of an Ethics Committee, corporate training programme.
- Elaboration of detailed files on the most significant risks, which will provide material for analysis and actions seeking to reduce the probability of risks occurring and their impact.
- Actions seeking to involve subcontractors in sustainable development: handbook, training, task forces, agreements, satisfaction surveys.
- Fight against illicit labour: systematic inspections of ID documents and work permits, badge system at site entrances, organisation of internal inspections.
- Increase of number of suppliers assessed by Ecovadis and audit of suppliers with low scores, incorporation of CSR performance in the choice of suppliers for framework
- Partnerships with suppliers and subcontracts rolled out in different forms.
- · Development of software and creation of a specialist team combining safety professionals and company doctors to prevent risks relating to the use of chemical products.
- Roll-out of warm-up exercises for site workers before starting work.
  Operation to combat alcohol and drug addiction and to promote a healthy lifestyle.
- Continuation of an active accident prevention and health protection policy, with awareness-raising operations and training for permanent employees, temporary employees and subcontractors' personnel.
- Widespread implementation of employee satisfaction surveys (15,400 people guestioned between 2007 and 2009).
- Measures to achieve a better balance between home and work following the audit carried out in 2008 (e.g. working from home was trialed by ETDE, with an agreement signed).
- Heavy emphasis on training covering issues raised by safety and sustainable construction
- Six new agreements signed with the Agefiph on employing people with disabilities, increasing purchases from the sheltered sector and raining employees' awareness (the Handitour road show making contact with 6,000 employees).
- New training sessions in Equal Opportunities (90 people enrolled in 2010).
- Preparation for obtaining the AFNOR Diversity label in France.
- Extension of the policy to develop the employment of people with disabilities and action to support the sheltered sector.
- Creation of Terre Plurielle, the Bouygues Construction corporate foundation (support in 2009 given to 21 projects providing access to health, education and integration).
- Participation in humanitarian missions with Planète Urgence during paid leave for 38 employees.
- Partnerships to respond to emergency situations with Care France in Cuba (construction and renovation of 5,000 houses over 2 year) and Emergency Architects.
- Continuation of actions intended to promote social inclusion: involvement of two subsidiaries in Business and Neighbourhood Clubs run by IMS-Entreprendre pour la Cité, partenership with Médiane to provide opportunities for early school-leavers, etc.
- Patronage operations through the Terre Plurielle foundation plus partnerships organised locally.
- Partnership with the Vauban Network to help French local authorities preserve Vauban's architectural heritage.
- Anticipation of thermal regulations in France with 14 building with a low-consumption building label (< 50 kWhPE/m²/year) completed or under construction.</li>
- Sharing of knowledge on sustainable construction internally and externally: dedicated intranet site, training programmes, specialist Masters with ESTP and ENSAM
- Strengthening of the Sustainable Construction R&D programme (budget raised 40% by comparison with 2009).
- Involvement in the CSTB's research work on the professional implementation of Elodie (building life-cycle analysis software).

  Start of works on the energy renovation of the Bouygues Construction head office,
- seeking to divide the energy consumed by 10.
- · Actions for consulting local residents and taking account of their views: information meetings, websites, toll-free phone numbers, open days, satisfaction surveys.
- Internal awareness campaigns on eco-friendly everyday actions.
- Roll-out of the Ecosite label and environmental standards on 11 key themes (from waste management to preserving biodiversity).
- Generalised use of self-compacting concrete on Bouygues Entreprises France-Europe construction sites
- Implementation of a partnership with ATF Gaïa for recycling IT hardware.
- · Reduction of carbon emissions relating to transport: lower-emission fleet vehicles, company travel plans in five subsidiaries and at Bouygues Construction head office, training in eco-friendly driving techniques, etc.
- Progressively performing carbon audits on all operations.
  Implementation of complete carbon accounting.
- Roll-out of company travel plans to encourage eco-mobility.

#### METHODOLOGICAL NOTE ON REPORTING

#### Methodological procedures

In order to guarantee the uniformity of the indicators over the entire scope of the consolidation, a methodological reporting guide has been issued to all personnel involved in reporting the indicators. It is updated following consolidation of the previous year's data and the comments of contributors. It specifies the methodologies to be used: definitions, methodological principles, units, calculation formulas, conversion factors.

Sustainable development indicators are gathered, controlled and consolidated using reporting software incorporating a workflow process (Enablon SD).

#### Scope of the consolidation

In 2009, the scope "World" incorporated into Enablon covered 98% of Bouygues Construction's consolidated sales. Indicators relating to sales were calculated on this basis. The following entities did not consolidate data over their entire scope of operations:

- Bouygues Bâtiment International: 93% of consolidated sales;
- VSL: 85% of consolidated sales;
- ETDE: 98% of consolidated sales.

Since the Concessions division's business is not consolidated financially, none of the indicators relating to revenues have been taken into account. Only social and community data concerning the Concessions division has been integrated into the report.

In 2007, indicators relating to sales were calculated on the basis of 100% of Bouygues Construction's consolidated sales, while this was the case for 95% of consolidated sales in 2008.

Indicators linked to human resources cover all entities consolidated by the Group. Some of the social data was supplied by the Bouygues Construction central Human Resources department.

## Data relating to consortiums, partnerships and joint ventures

When a project is carried out by a consortium including several Bouygues Construction companies, data relating to the project is reported only by the lead company of the consortium.

When a project is carried out in the framework of a partnership or joint venture, data is reported in proportion

to the sales recorded by the Bouygues Construction company in question.

#### Choice of indicators

A task force consisting of a representative from each entity of Bouygues Construction and directed by the Sustainable Development department elaborated a reference framework of environmental, social and community indicators that enables us to monitor the progress we are achieving through the implementation of our sustainable development policy.

#### Consolidation and control

The data gathered is controlled and then confirmed by the Group's operating units. Social indicators are confirmed by the central Human Resources department. The Sustainable Development department consolidates the data and checks it for consistency.

#### Methodological limits

The sustainable development indicators can entail methodological limits because of:

- the representativeness of measurements and estimations carried out,
- changes in definition that could affect comparability,
- practical considerations of data reporting.

#### Adjustment of previous data

Errors made in the reporting of previous years can sometimes come to light during the reporting of the current year. Some data has therefore been adjusted because errors detected can have a significant impact on the interpretation of results.

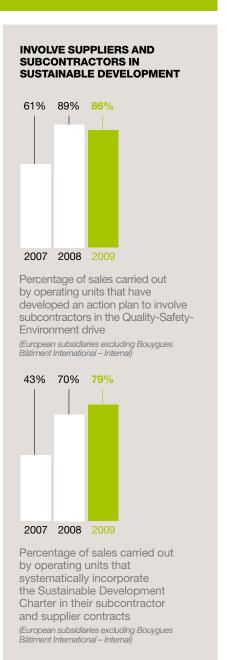
## **Economic challenges**





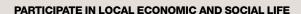


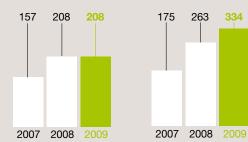
# 90% 94% 97% 90% 2008 2009 Percentage of sales covered by an ISO 9001 certified quality management system (World – GRI PRI)



# Social and community challenges







Number of operations carried out in the year in partnership with local organisations promoting social inclusion

(France – Internal)

Number of partnerships seeking to support social inclusion, education and healthcare in the course of the year (World - Internal)

#### **EMPLOYEE SAVING AND EMPLOYEE SHAREHOLDING**

€25.4 M

Amount allocated to optional profit-sharing (intéressement) paid in 2009 on the basis of 2008 results (France – Internal)

€27.3 M

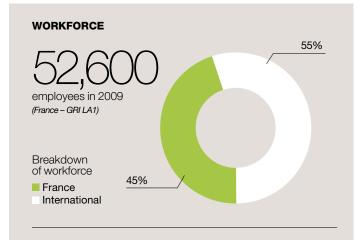
Amount allocated to mandatory profit-sharing (participation) paid in 2009 on the basis of 2008 results (France – Internal)

€33.7 M

Amount of matching contributions paid under the Corporate Savings Plan in 2009 (France – Internal)

€1.1 M

Amount of matching contributions paid under the Supplementary Pensions Saving Scheme in 2009 (France – Internal)



#### **INDUSTRIAL RELATIONS**

84.5%

of employees took part in most recent Works Council elections. (France - Internal)

119

collective agreements were negotiated in 2009, including compulsory annual negotiations.

(France - Internal)





Percentage of employees having received training during the year By status (2009): Management (international only): 45% / Managers (France): 70% / Supervisors (France): 61% / Site workers (World): 45% (World - GRI LA10)

5.12% of annual payroll devoted to training in 2008

training in 2008 (4.88% in 2007)

equivalent in 2009

(World - GRI PR1)

(World - GRI LA7)

#### **IMPROVE ACCIDENT PREVENTION AND HEALTH AND SAFETY MEASURES** 14.65 12.17 10.64 0.50 0.40 0.39 27.65 25.62 21.12 15% 14% 19% 10 2007 2008 2009 2007 2008 2009 2007 2008 2009 2007 2008 2009 2007 2008 2009 Frequency rate of Severity rate of Frequency rate of Frequency rates of Number of deaths employee workplace workplace accidents fleet vehicle road of employees in fatal employee workplace accidents (number of accidents (number of involving temporary accidents involving accidents days of lost time x accidents per 1 million site workers third parties (World – GRI LA7) hours worked). 1000 / number of (World excluding Bouygues Bâtiment International – Internal) (World - Internal) (World – GRI LA7) hours worked). (World – GRI LA7) cases of occupational of employees benefited absentee rate (number of of sales were covered by an illness were acknowledged ILO or OHSAS 18001 safety from supplementary days of absence / number of by the French national insurance for high risks, calendar days) in 2009 management system or health service

(France excluding Bouygues TP-



hospitalisation and

maternity in 2009

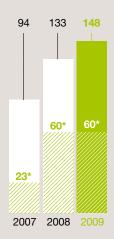
# Environmental challenges



#### DESIGN AND PROMOTE HIGH ENVIRONMENTAL PERFORMANCE BUILDINGS AND STRUCTURES



Percentage of R&D budget devoted to sustainable construction (World – Internal)



Total number of orders taken for buildings with an environmental label or certification during the year

\* with Bouygues Construction as specifier (Building operations, France and international – Internal)



Percentage of buildings with an environmental label or certification for which orders were taken during the year (Building operations, France and international – Internal)

#### **REDUCE THE ENVIRONMENTAL IMPACT OF CONSTRUCTION SITES**



Number of projects with the "Chantier Bleu" label

(Bouygues Entreprises France-Europe operations – Internal)



Percentage of projects with the "Chantier Bleu" label

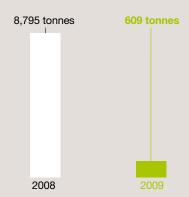
(Bouygues Entreprises France-Europe operations – Internal)

#### **INTRODUCE AN ENVIRONMENTAL MANAGEMENT SYSTEM**

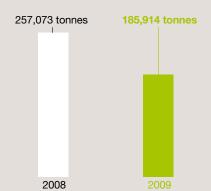


Percentage of sales covered by an ISO 14001 certified environmental management system (World – GRI PR1)

#### **REDUCE AND RECYCLE WASTE**



Total quantity of hazardous waste collected (France excluding DTP Terrassement – GRI EN22)



Total quantity of non-hazardous waste collected (France excluding DTP Terrassement – GRI EN22)

The substantial drop in the quantity of waste in 2009 is explained by the reduced amount of dumping of earth, which was significant in 2008.



of non-hazardous waste was recycled in Bouygues Entreprises France-Europe operations, excluding Bouygues UK, in 2009

#### **REDUCE CARBON EMISSIONS**



carbon audits were carried out on buildings and structure using CarbonEco® in 2009

#### **REDUCE ENERGY CONSUMPTION**



Total fuel consumption (in millions of litres) of the company's fleet of cars and vans (France – GRI EN3)

#### **REDUCE NUISANCE FOR LOCAL RESIDENTS**



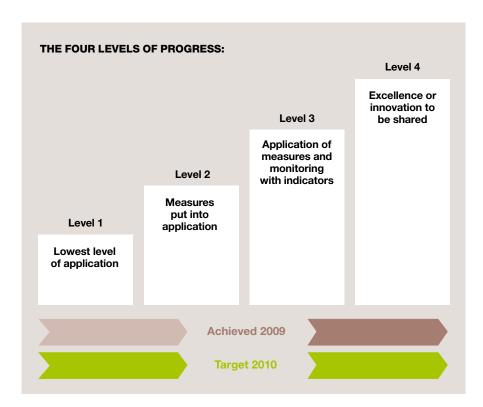
Percentage of sites involving local residents through consultation, communications campaigns or satisfaction surveys

(World excluding ETDE and civil works operations – Internal)

# **Self-assessment by entities** on the seven themes of the

# Actitudes policy

#### THE SELF-ASSESSMENT PROCESS



core actions form the common frame of reference for all subsidiaries.

#### To facilitate deployment of the policy, a detailed frame of reference specifies expectations for each of the 42 core actions of Actitudes, which are organised into seven themes for progress. Each entity or operating unit, as appropriate, evaluates its own progress according to four levels and sets

itself targets to reach by the end of the year. This self-assessment process enables each structure to evaluate its own performance and to determine its own priorities among

the core actions and the rate at which it will

roll them out.

The process forms part of a policy of continuous improvement through increasing mastery of methodology, an expanding scope and the growing involvement of the entities and operating units.

In 2009, following an audit conducted by Ernst & Young:

- the Actitudes frame of reference was updated to make it easier to understand,
- a methodological guide has been written to help in the self-assessment process.

## BREAKDOWN OF CRITERIA ASSESSED BY LEVEL OF SCORE (ENTITIES)





The level of scores achieved in 2009 for the consolidated scope of Bouygues Construction (excluding the Concessions division) shows that the practices promoted by the Actitudes frame of reference have reached a stage of application of measures (level greater than or equal 2) in more than 68% of cases, and are being driven at a level greater than or equal to 3 in 25% of cases.

The breakdown of level of scores shows an overall improvement from 2008 to 2009. Scores of levels 1 and 2 have fallen by 9 percentage points compared to 2008, while the number of level 3 scores has risen by 6 percentage points and that of level 4 scores by 2 points.

This improvement demonstrates the growing commitment of the entities and operating units to the implementation of the Actitudes policy.

#### **CONCESSIONS DIVISION**



#### LEVEL OF IMPLEMENTATION FROM 1 TO 4 (AVERAGE SCORES)

The level of implementation rose in 2009 with respect to all themes covered by the Actitudes frame of reference. For the consolidated scope of Bouygues Construction, the overall average achievement was 2.22 in raw terms, an

improvement of 5% over the 2008 figure (2.11). Weighting the scores by annual sales, which thereby reflects the respective weight of the various entities, the overall average achievement for the Group stood at 2.5 in 2009 (as against 2.3 in 2008).



### METHODOLOGY OF SELF-ASSESSMENT OF THE ACTITUDES POLICY

#### Scope

In 2009, the scope of application of selfassessment according to the Actitudes frame of reference represented 99% of Group sales, as against 92% in 2008. The term "consolidated Bouygues Construction Group" refers to all entities and operating units excluding the Concessions division and economic interest groups, which are not included in the consolidation but are subject to specific monitoring.

#### Process

A methodological guide for the Group has been written to set down the selfassessment process with regard to:

- scope of application,
- roles and responsibilities,
- rules for awarding scores,
- stages in the process,
- the timetable.

For the majority of entities, the score awarded corresponds to the average of scores assessed by the operating units composing them. For the others, the score combines assessments made in the field and appraisals made by the entity's management committee. These methodological differences result in a

degree of uncertainty.

To better reflect the respective weight of the various entities, the scores have been weighted by the sales of the entities since 2008.

#### External verification

Following three years of implementation, the Group decided to commission a further independent audit of implementation of the Actitudes policy. The audit procedure and conclusions are detailed on page 31.

This audit, designed to be a follow-up audit, was carried out on a sample of four operating units belonging to the highest contributing entities in terms of sales.

# **Self assessment** according to the Actitudes frame of reference

#### **ASSURANCE REPORT**

To the attention of the Chairman of the Board,

At your request, we have performed a review designed to provide limited assurance that the self assessment according to the Actitudes frame of reference relating to the fiscal year 2009 and presented on pages 28 and 29 of the 2009 Sustainable Development Report, has been established, in all material aspects, in accordance with the self assessment criteria, version 2, dated October 2009 (the Criteria).

It is Bouygues Construction's responsibility to establish the self assessment and the Criteria.

It is our responsibility, based on our controls, to provide a conclusion on the self assessment according to the Actitudes frame of reference.

Our controls were performed in accordance with the ISAE 3000 standards (International Standard on Assurance Engagement, December 2003). Our independence is defined by legal and regulatory texts as well as by our professional code of ethics.

The conclusion presented hereafter concerns only the elements stated above and no other information or sustainable indicators of the 2009 Sustainable Development Report. A higher level of assurance would have required more extensive controls.

#### Nature and extent of our review

To provide our conclusion, we conducted the following review:

- We assessed the Criteria with regards to its precision, understandability, neutrality, completeness and relevance in relation to the issues of construction activities.
- At group level and at the level of the seven operating entities, we met with the persons in charge of the self assessments. At these levels, we reviewed the deployment of Actitudes, carried out analytical procedures and verified, on a sample basis, the consolidation of the self assessments.
- On a sample of four operating units\* in two countries (France, United Kingdom), contributing to 10% of the group's consolidated turnover, we evaluated the deployment of the approach, verified the understanding and application of the Criteria and carried out detailed tests, on a sample basis, to reconcile the self assessments with the supporting documents. We also assessed the deployment of Actitudes in the field by conducting interviews on a selection of one construction work site per operating unit.

• We reviewed the presentation of the results and methodology provided on pages 28 to 30 of the report.

Since the four operating units selected this year were not sufficiently representative of the group's activities and geographical implantations for us to formulate a conclusion, our work is also based on the confidence established from the previous fiscal year's review, from a larger sample (15 operational units, contributing to 24% of the group's consolidated turnover).

To assist us in conducting our work, we referred to the environment and sustainable development experts of our firm under the responsibility of Mr. Eric Duvaud, partner in charge of our Environment and Sustainable Development Department.

#### Information on the Criteria

We wish to make the following comments on the Criteria:

- The Criteria's structure detailed in seven themes and 42 actions takes into account the main sustainable development issues of construction activities (sustainable construction, safety, combating illegal labor, local residents, attractiveness...). The relative weight of each aim in the total assessment could better reflect the hierarchy between these issues.
- Significant improvements between 2008 and 2009 clarified the Criteria and improved the reliability of the assessment process (completing some definitions, providing guidelines for the self-assessment process and self assessment and consolidation template matrix).
- The deployment of good practices could be improved by adding tools and examples to each action in the Criteria.

#### Conclusion

Based on our controls, nothing came to our attention that causes us to believe that the self assessment according to the Actitudes frame of reference has not been established, for the fiscal year 2009, in accordance with the Criteria, in all material aspects.

Paris-La Défense, March 31st, 2010

ERNST & YOUNG Audit: Jean Bouquot Assisted by ERNST & YOUNG Environment and Sustainable Development: Éric Duvaud

\* Habitat Social (Bouygues Bâtiment Ile-de-France), DV Construction (Bouygues Entreprises France-Europe), Exprimm FM Immo (ETDE), Bouygues UK (Joint Venture between Bouygues Entreprises France-Europe and Bouygues Bâtiment International). www.bouygues-construction.com

