

Our convictions

Our objective is overall performance. Our ambition is to create value for our customers and shareholders and for society as a whole. We measure success over time and performance on more than just economic and financial results. Our business demands that we consider the ultimate purpose of our projects, responding to the expectations of both users and the broader community. The issue of climate change compels us to factor environmental values into our projects. Our performance is also judged on the extent to which our projects are integrated into their local communities and contribute to their development.

Our management model drives our development. VINCI's management approach is built on decentralised organisations, autonomous operating units and empowered managers. These principles, coupled with the networking of teams and skill sets, encourage cross-disciplinary career development. This model contributes to the development of employees and teams in an environment in which expectations are clearly defined. A driver of professional and business diversification, it serves as a unifying force throughout the Group.

We believe in humanistic values. Our values are anchored in our culture: we are builders. Trust, respect, solidarity, the primacy of the individual over systems, the simultaneous recognition of individual initiative and teamwork, the fundamental principle of worksite excellence – these are the values that guide our actions and behaviours and are central to the identity of a group of entrepreneurs.

Strategy and outlook

Resilience and growth

It is in times of economic crisis that VINCI's business model truly shows its resilience. The Group's strategy is to further develop it, strengthening its capacity to generate growth.

Concessions-contracting complementarities

VINCI's business model is built on the complementary nature of its businesses, concessions and contracting (Energy, Roads, Construction):

- operating cycles: long-term for concessions, short- and medium-term for contracting;
- financial: high capital intensity and recurring revenue in concessions; low capital intensity and a structurally positive operating cash flow in contracting;
- expertise: project organisation and financing, project management and operation in concessions; ability to design and deliver complex turnkey projects in construction.

It is a model that generates growth in periods of economic expansion: from 2000-2009, VINCI revenue increased by a factor of 2.3 and its net income by a factor of 5.3. During economic downturns, it has proven resilient, as demonstrated by its activity and results in fiscal years 2008 and 2009.

Building on our fundamentals

VINCI's strategic plan is to extend this model to reinforce the Group's resilience while strengthening its capacity to generate growth by intensifying recently-launched efforts so as to:

- optimise the Group's position in its local markets, to harvest growth opportunities;
- invest in market segments and technological niches that offer above average development potential such as oil and gas infrastructure (recent acquisition of Entrepouse Contracting) or energy services;
- generate more long-term business, not only in concessions (development of operating infrastructure services) but also in contracting (facilities management, industrial and energy equipment maintenance, management of public lighting, road maintenance, etc.);
- expand the Group's capability to design, manage and implement complex projects. This means increased resources and skills for major project management, systems engineering, client-side project management and contracting as well as increased coordination between business divisions – which will be facilitated by a new integrated organisation in contracting.

International growth

VINCI will pursue this strategy mainly through organic growth as the priority goal of controlling debt will limit acquisitions in cash. The Group will take advantage of its extensive and complementary network of companies to increase the volume of its international business.

In addition to boosting development in continental Europe – which will remain the primary geographical focus – the Group intends to expand its coverage of markets in the Middle East, North America and Asia either by leveraging its local presence or by exporting know-how. VINCI will seek to make increasing inroads into international markets by capitalising on the local knowledge acquired by its major project teams as well as its highly specialised subsidiaries – including Soletanche Freyssinet, Entrepouse Contracting and DEME, which already generate most of their revenue from outside the European Union.

Markets generating long-term growth

VINCI's mix of businesses and its model are fully aligned with the trends in its markets. In the long-term, urban development, the increasing importance of mobility and growing energy infrastructure needs will generate very large investment programmes for new construction and renovation in both emerging and mature economies. In most of these markets, economic stimulus packages, programmes to combat climate change and eco-efficiency policies will feed the flow of projects.

At the same time, the urgency of many projects, their increasing complexity and financing requirements, the need for a life-cycle approach to equipment and a "user pays" culture will combine to accelerate the development of public-private partnerships (PPPs). These trends benefit market leaders like VINCI that are able to take on the full responsibility for these projects, from financing and design-build to operating.

Sustainable development

From managing risk to creating value

One of VINCI's priorities is the development of eco-design, including life cycle analysis, for both buildings and structures.

Strategy and approach

Our approach to sustainable development combines determination to manage risks with the permanent objective of creating value.

The approach is co-ordinated by the Delegation for Sustainable Development, a streamlined structure that works in close cooperation with all functional and operational departments and reports to the vice-president, human resources and sustainable development, who is a member of the Group's Executive Committee.

Risk analyses are reviewed regularly by the Sustainable Development Committee, a body comprising 25 members drawn from all areas of our business. All new risks identified are analysed and monitored closely by specialised working groups. In 2009, the social review focused in particular on the dissemination of our corporate values, openness to an international culture and improving the cross-Group organisation. The environmental review covered the eco-design of building complexes and infrastructure, the integration of biodiversity within economic models, and mobility.

Analyses of value creation potential are considered by theme-based clubs bringing together operational managers and in-house experts. The CO₂ Club focuses on finance and carbon economy, environmental reporting, CO₂ systems and energy management. The Regional Development Club, created in 2009, is charged with developing urban solutions that meet the concerns of communities and individual citizens regarding the city of the future. In response to the issues identified in France by the Grenelle Environment Forum and the growing urban problems emerging across the world, we have stepped up our investment in R&D, notably via the ParisTech chair in eco-design and the City Factory (see p. 15).

The VINCI approach to sustainable development is expressed in a series of priority commitments that involve all Group subsidiaries and employees. Our backing of the UN Global Compact since 2003 contributes to the implementation of programmes and projects within an international, neutral and recognised framework.

Because of their expertise in the area of sustainable development, VINCI and its subsidiaries are often consulted by public authorities and professional bodies. The subjects raised in 2009 focused mainly on urban development concerns related to the environment (construction, energy, mobility), employment and the community (use made of structures, new mobility services, the economy of urban systems).



VINCI in the non-financial indices

VINCI is regularly – and positively – assessed by analysts and rating agencies specialising in socially responsible investment. In 2009, we appeared in the Dow Jones Sustainability Indexes World (DJSI World), and in the ASPI Eurozone® index (Advanced Sustainable Performance Indices) established by the European agency Vigeo. We are also listed in the new European Low Carbon 100 Europe index, which was launched by NYSE Euronext in partnership with NGOs Agrisud, Goodplanet and the WWF, and is based on companies' carbon emissions. Lastly, our share was one of those analysed in the annual Carbon Disclosure Project survey, and included in the CDLI Europe index (Carbon Disclosure Leadership Index) with a rating of 78/100.



CARBON DISCLOSURE PROJECT



The 2009 version of the sustainable development report is included in the Report of the Board of Directors (pp. 94-151). All texts, data and initiatives can be accessed on the www.vinci.com website under "Sustainable Development", as can the "Statement on Progress" drawn up by VINCI in respect of the Global Compact.

Our commitments

Achieved in 2009

Objectives for 2010

Corporate governance

- To disseminate corporate values and rules on behaviour
- To introduce non-financial criteria into the variable component of remuneration

- Formalisation of the VINCI ethics charter

- To include non-financial analyses in the work of Board of Directors committees

Human resources

Employment

- To encourage the creation of permanent jobs

- 15,022 people hired on permanent contracts worldwide
- 5,985 people hired on permanent contracts in France

- To continue the policy on permanent jobs
- To internationalise recruitment

Training

- To anticipate the need for new skills
- To offer all employees a personalised training programme

- 91 forward-looking jobs and skills management agreements signed during the year
- 3,002,495 hours of training in 2009, i.e. more than 18 hours per employee

- To internationalise and disseminate best practices

Health and safety in the workplace

- To ensure the safety of all employees

- VINCI's accident frequency rate: 10.49
- VINCI's accident severity rate: 0.67
- Accident frequency rate for temporary workers: 19.87

- To include temporary workers and subcontractors in accident prevention campaigns
- To improve the sharing of best practices

Equality and diversity

- To promote diversity

- 10,902 hours of diversity training
- 40 subsidiaries audited by a body of nine in-house auditors

- To continue carrying out follow-up audits
- To internationalise the management of diversity

Remuneration and benefits

- To share the benefits of growth

- 60% of employees worldwide are VINCI shareholders
- 9.2% of VINCI's capital is owned by employees
- In France, 95% of employees are covered by profit-sharing and/or incentive schemes

- To expand employee share ownership wherever legally permitted
- To verify the levels of remuneration outside France, taking into account purchasing power and the provision of health, pension and unemployment coverage, etc.

Civic engagement

- To encourage employees' civic engagement through the VINCI Foundation
- To develop community projects

- 120 projects supported by the VINCI Foundation, €2 million invested, 192 sponsors
- Development of sponsorship tools
- Internationalisation: Czech Republic and Germany
- Review of community involvement policy

- To increase the Foundation's geographical footprint
- To develop new types of community involvement
- To design and initiate the implementation of an international community involvement approach

Customer-supplier relations

- To work together with partners in the value chain

- Continuation of purchasing and sustainable development training courses
- Inclusion of social and environmental clauses in VINCI framework contracts
- Proposal of more environment-friendly alternatives when responding to tenders

- To include social aspects in purchasing training, in particular respect for fundamental human rights

Environment

- To limit the environmental impact of our business activities

- To combat climate change

- To improve energy efficiency

- To limit consumption of natural resources
- Biodiversity

- Generalisation of clean worksites
- First generation of eco-motorways
- Consolidation of environmental reporting (coverage: 91% of revenue)

- VINCI's third CO₂ audit: 2.15 million tonnes of emissions (Scope 1 & 2)
- Design of a comprehensive eco-comparison tool for complex structures

- Training in energy management, development of Renewable Energy Clubs (wind, photovoltaic)

- 7.4 million tonnes of products recycled
- Public presentation of biodiversity practices

- To implement the commitments of the "green motorway package"

- To quantify Scope 3 and 3+ emissions
- To include climate-energy parameters in long-term economic simulations

- To continue analysing common practices with environmental organisations

R&D, innovation

- To strive for technological excellence

- To develop R&D in eco-design and sustainable cities

- To encourage employee innovation

- 72 research programmes under way
- R&D budget of €32.5 million
- 186 researchers

- Launch of 12 joint VINCI-ParisTech Chair research subjects
- The City Factory seminar on eco-neighbourhoods
- Creation of the Regional Development Pivot

- 1,443 entries for the VINCI 2009 Innovation Awards Competition, 109 projects received awards

- To launch new, cross-business research projects

- To make scientific tools for cities and urban areas more consistent
- To develop research and teaching on the eco-design of building complexes and infrastructure
- To disseminate and capitalise on technological innovations

Social responsibility and civic engagement

Creating permanent jobs

Whenever possible, VINCI prefers to create permanent jobs. On 31 December 2009, we had 161,746 employees worldwide, 87% of them on permanent contracts. Despite a difficult economic context, we hired 15,022 people worldwide for permanent jobs in the course of the year, 5,985 of them in France.

Anticipating the need to develop new business skills

The deployment in all subsidiaries of a forward-looking jobs and skills management system makes it possible to better anticipate changes occurring in our business lines and markets, as well as the corresponding need to develop skills. In total, 91 GPEC agreements were signed in 2009. Our human resources policy also aims to internationalise recruitment and the career development of our employees, and to enhance our expertise as a project integrator capable of taking charge of ever more complex projects. We focused particularly on green business in 2009, where there is potential for creating new jobs.

Offering all employees a personalised training programme

We aim to offer each employee an individually-tailored training programme. In 2009, Group employees benefited from three million hours of training. VINCI companies continued to develop their in-house training centres, which now cover the whole of France. Upstream of recruitment and training, they enter into partnerships with educational institutions and recruitment agencies. A network of campus managers co-ordinates relations with about 100 schools, each year reaching over 30,000 pupils and students. In 2009, Group companies welcomed 7,089 of them on work-experience placements, and 1,758 within the framework of work-study contracts.

Ensuring the health and safety of all employees

Our aim is to achieve zero accidents. In five years, the number of training hours devoted to safety has doubled, and the frequency of occupational accidents has fallen 42%. Over the same period, the number of companies recording no lost-time accidents has remained constant at around 50%. Led by a network of 300 safety correspondents operating within an international co-ordination system set up in 2008, the policy on

accident prevention and safety calls for considerable input on the part of management, and is deployed at all levels within the Group via a whole range of actions adapted to its various business lines: 15-minute safety sessions, accident prevention competitions, analysis of accidents and near-miss incidents, etc. This policy extends to subcontractors and temporary work agencies, notably via the safety clauses included in framework contracts.

Promoting equal opportunities

In 2009, our workforce included 21,106 women (up 25% in five years); they accounted for 21% of new hires. There were 2,778 disabled employees; business awarded to companies employing a majority of disabled people increased 41% and generated revenue of €3.6 million.

VINCI pursues a proactive policy as regards managing equal opportunities. For the third year running, we had this policy audited by an independent organisation, Vigeo. Audits carried out since 2007 have covered a total of 120 subsidiaries (of which 40 in 2009) and more than 2,600 people. The results for the four themes examined (gender equality, disabled people, people from an immigrant background, older people) show that practices have improved. A body of in-house auditors, assisted in 2009 by the Vigeo analysts, has been formed and trained to develop this audit approach. Past audits are the subject of subsequent in-house follow-up.

Sharing the benefits of growth

VINCI distributed €318.7 million in 2009 in the form of incentives, profit-sharing, employer contributions and social welfare. We intend to give fresh impetus to our policy of sharing the benefits of growth by extending the profit-sharing and incentive schemes that already cover 95% of employees in France to all countries where we have operations. We also intend to improve social security arrangements (health coverage, pensions) in all countries where we operate.

We are committed to making it easier for employees to participate in our capital through a share-based employee savings plan and an attractive employer contribution policy that favours the smallest savers. In 2009, we paid employer contributions totalling €92.6 million. Employee share ownership remained stable despite the difficult stock market context. More than 95,000 employees, i.e. about 60% of the workforce, were VINCI shareholders at the end of the year, testifying to their confidence in the Group Savings Scheme.

01 For the third year running, VINCI had its equal opportunities policy audited by the independent organisation Vigeo.

02 The VINCI Foundation for the Community supports projects that create social links and help the unemployed find work.



Developing social dialogue

In 2009, 1,650 equality and diversity agreements were signed. In total, 73% of VINCI companies are covered by collective agreements. More than 6,300 employees have been elected by their peers to represent them.

Encouraging employee involvement in solidarity projects

In line with our humanist convictions and solidarity values, we support projects that create social links and help the unemployed find work. The key player here is the VINCI Foundation for the Community, which offers a framework for Group employees' civic engagement through a combination of financial support and skills-based sponsorship. In 2009, 120 projects supported by 192 employees were backed by Foundation subsidies totalling €2 million. The Foundation has strengthened its arrangements for monitoring and assessing the projects it supports. It has developed new resources (a guide to sub-contracting, a network of local correspondents) to increase employee involvement and the collaboration between Group companies and organisations that help disadvantaged or disabled people find employment.

Structures similar to the VINCI Foundation in France have been created in the Czech Republic (seven projects supported) and Germany (13). In Africa, too, Sogea-Satom's Initiatives for Africa programme (ISSA) encourages employee participation in solidarity projects for the benefit of local people in regions where the subsidiary's offices are working on projects. Since its creation in 2007, ISSA has

supported 35 projects (school construction or refurbishment, drinking water supply, medical facilities, etc.) in 16 countries, investing a total of about €471,000.

In addition, our subsidiaries initiate locally-based sponsorship operations. In an extension of their worksites and business activities, these operations contribute to protecting the environment, enhancing heritage assets and promoting the social development of the regions concerned.

In application of our global performance objectives, combining sustainable economic success with far-reaching human goals, we launched a process of reflection in 2009 on the future development of our policy on community involvement innovation with the aim of developing new forms of solidarity.

Heritage preservation

We help to preserve heritage assets. Group companies continued their policy of showcasing archaeological and palaeontological finds made on their worksites, particularly on motorway projects. Numerous dinosaur fossils have been exhumed in recent years, for example, in the course of the works to widen the A8 in Provence.

Environment

A prototype of the eco-motorway programme launched by VINCI Autoroutes, the A19 meets extremely demanding standards as regards the preservation of water resources and biodiversity.

Limiting the environmental impact of our business activities

We continued to deploy our environmental policy in 2009. Our reporting system now covers virtually all our revenue (91%). Whether involved in construction or operation, all VINCI companies strive to meet the highest environmental standards. The rollout of environmental management systems, complementing quality management systems, helps to ensure constant improvement in this area.

Combating climate change

VINCI has been measuring its greenhouse gas emissions since 2007 as a guide to the action to be taken to limit them and to measure progress made. We enhanced the reliability of our measurement system in 2009 and, using the international standard ISO 14064, we carried out a CO₂ audit of all Group emissions. These amounted to a total of 2.15 million tonnes on a Scope 2 basis (i.e. direct emissions and electricity). In addition to attempting to reduce emissions resulting directly from our business activities, we encourage our partners, suppliers and customers – particularly those of our motorway networks – to participate in this effort. Internally, a network of carbon experts organised training sessions and meetings aimed at sharing best practices.

Deploying an eco-efficiency policy

In preparation for stricter regulation in Europe (Grenelle Environment Forum legislation in France, Carbon Reduction Commitment in the UK), we have accelerated the process of re-engineering our construction activities and business practices to make them more environment-friendly. We have also made the development of eco-design, including life cycle analysis (LCA), of buildings and structures a priority. This approach involves making all players in the value chain aware of their responsibilities, with increased discussion upstream of the construction stage (materials manufacturers, architects, town planners, design offices) and taking the end user into account when designing projects.

We are also developing eco-comparison tools, which make it possible to optimise the energy performance of buildings and limit the environmental footprint of structures. As a result of further work on tools already developed by the operational business lines, we have a multi-purpose system that can be used for complex projects and enables us to suggest more environment-friendly alternatives for both buildings and transport infrastructure.



Preserving natural resources and biodiversity

Issues associated with access to natural resources and the preservation of biodiversity play an increasing part in the overall scheme of our business activities. We have embarked on a series of forward-looking studies in this area, notably in partnership with France's National Natural History Museum and AgroParisTech. These will enable us to integrate the impact of our projects on natural resources and biodiversity more accurately into our business model and evaluate the corresponding costs. This move was prefigured by the commitments made early in 2010 by the VINCI Autoroutes motorway concession companies to upgrade their networks to higher environmental standards through an investment programme that places particular emphasis on the preservation of water resources and biodiversity (see p. 45).

R&D and innovation

01 Internally, R&D occupies more than 180 research workers and scientists, and VINCI has over 1,600 active patents worldwide.

02 Winner of the Dissemination Prize in the VINCI 2009 Innovation Awards competition, the dual-purpose nut makes form panel rotation on construction sites safer. It is now being produced on an industrial scale and is widely used within the Group.



Striving for technological excellence

Some 72 research programmes were under way in our various business entities in 2009, representing a budget of €32.5 million. Internally, R&D occupies more than 180 research workers and scientists, and we have a portfolio of over 1,600 active patents worldwide.

The R&D-Innovation (RDI) Committee, a body which reports to the Executive Committee and brings together the scientific and technical directors of the various divisions, covers the entire range of our business activities. Its task is to facilitate the exchange of information about research projects, both in-house and within the framework of national or European programmes, and to select cross-business projects involving the various Group entities.

Developing research in eco-design and the sustainable city

In 2008, VINCI co-founded the first chair in the eco-design of building complexes and infrastructure with the ParisTech engineering schools (Mines Paris, Ecole des Ponts, Agro). This move was designed to promote the integration of eco-design concepts into the training provided for future generations of engineers and develop decision-making tools for economic operators. In 2009, as a result of this partnership (www.chaire-eco-conception.org), 12 research projects (theses and post-doctoral work) were started and a series of training sessions was given by teams from ParisTech and VINCI.

We also encourage forward-looking debate on the sustainable city through The City Factory, a forum where experience and expertise can be shared between public- and private-sector operators involved in urban development and mobility issues. The City Factory organised its third seminar

in 2009. Held in Copenhagen, its subject was "Sustainable cities, from vision to action". A report on the seminar is available at www.lafabriquedelacite.com. Work in 2010 will focus on the living city, particularly from the viewpoint of demographics, the sociology of urban areas and new services.

Lastly, in France, we are participating in the Advancity sustainable city and urban eco-technologies competitiveness clusters in the greater Paris region and the civil engineering and eco-construction clusters in Nantes.

Making the most of participative innovation

VINCI's innovation culture is an integral part of its entrepreneurial culture. In line with our decentralised management model, we develop our innovative potential by encouraging concrete initiatives at the most local level from our companies and their teams. This approach is symbolised in particular by the VINCI Innovation Awards competition, staged every second year and open to all Group employees.

The 2009 edition attracted almost 1,500 entries (up 30% against 2007): 109 won prizes at regional level and 11 were winners in the final stage of the competition. The Grand Prize went to the Pirandello® modelling system, which measures the impact of public planning decisions (transport, housing, jobs) on urban development. In order to encourage the sharing of innovations within the Group, a Dissemination Prize was awarded for the first time to an innovation from the previous edition of the competition – a dual-purpose nut facilitating the rotation of form panels, which is now being produced on an industrial scale. In 2010, our R&D and operational teams will be working together on a technological assessment process to identify innovations that could be suitable for widespread use within and even outside the VINCI Group.