

The Group's purchasing strategy also involves purchasing more from companies and non-profit organisations working towards social integration for the long-term unemployed and people with disabilities. ASF has tripled the amount of work it subcontracts to organisations that employ people with disabilities in three years. Similarly, VINCI is seeking to extend its current contract with AFP, a non-profit organisation that helps to find jobs for people suffering from paralysis, to other partners who will treat waste electrical and electronic equipment and set up collection points nearer to Group companies in order to minimise transport requirements. In 2010, the Group purchased 16% more services from AFP's organisations than in 2009. VINCI also works in partnership with Ateliers sans Frontières, a non-profit organisation that collects and repairs discarded computer equipment for resale at a low price to other non-profit organisations. Over the past three years, 19 tonnes of equipment have been recycled, of which 8 tonnes in 2010.

Importance of subcontracting

Subcontractors are generally selected from among small and medium companies located near Group plants or worksites, thereby developing the local economy. These partners are increasingly involved in project planning and preparation. Human resources and environmental factors are gradually being added to their contracts. The general policy is to strengthen the relationship over the long term. Subcontracting and joint contracting companies have long been committed to the Group's safety policy and observe the 10 principles of the UN's Global Compact. Frequent contact with contractors at worksites enables Group companies to verify that they observe the International Labour Organisation's fundamental conventions. Internal communication channels are established each year for operational managers and human resources networks.

Note on the methods used in social and environmental reporting

VINCI's social and environmental reporting framework complies with Articles L.225-102-1, R.225-104 and R.225-105 of the French Commercial Code and is based on the transparency principles of the Global Reporting Initiative (GRI).

1. Methodological procedures

VINCI's procedures are specified in the following materials:

- for social indicators:
 - a guidebook in four languages (French, English, German and Spanish) containing social indicator definitions;
 - a methodological guide to VINCI's social reporting system, including a reporting tool users' manual in four languages (French, English, German and Spanish);
 - a guide to consistency checks in two languages (French and English).
- for environmental indicators:
 - a methodological guide to VINCI's environmental reporting system, including a guide to the definition of common indicators that entities can use to set up their environmental reporting procedures. This guide is available in two languages (French and English);
 - a users' manual in two languages (French and English) for the IT system.

All of the above materials are accessible on the Group's intranet site.

The Group's efforts to accelerate its social and environmental reporting process in 2010 resulted in:

- new methods for earlier preparation of HR indicators, applicable to VINCI Construction Grands Projets, Soletanche Freyssinet, Entrepouse Contracting and VINCI Holding in 2010;
- the shifting of the reference period for environmental reporting by one quarter (the reference period for year Y is now from 1 October Y-1 to 30 September Y). This change applied to all entities in 2010.

2. Scope

The reporting scope is intended to be representative of all VINCI's business activities:

- social reporting has covered all Group entities by consolidated worldwide revenue since 2002. The consolidation of social data within this scope is similar to that of financial data;
- in 2010, environmental reporting covered 86% of Group entities by revenue worldwide. The VINCI Group consolidates environmental data within this scope in proportion to its shareholding in each entity.

Changes in scope

- Social reporting scope: changes in scope in year Y are taken into account in the same year.
- Environmental reporting scope: an entity acquired in year Y (between 1 January and 31 December) must participate in the environmental reporting procedure in year Y+1 and provide data for that year.

3. Indicator selection

Indicators are selected on the basis of the social and environmental impact of the Group's activities and the risks associated with the challenges of those activities.

There are three levels of core social indicators:

- those specified in Articles R.225-104 and R.225-105 of the French Commercial Code;
- those included in the social report, as required by French law; and
- specific indicators reflecting VINCI's human resources policy.

The complementary nature of these three levels of indicators makes it possible to measure the results of the Group's human resources policy and social commitments.

The core environmental indicators are made up of five types:

- resource consumption (energy, CO₂ and water);
- waste management and recycling;
- certifications and special projects;
- environmental awareness and training;
- environmental incidents and provisions for environmental risks.

Each business line continues to use its own additional indicators, which are based on its specific environmental challenges.

4. Methodological explanations and limitations

The methodologies used for some social and environmental indicators may be subject to limitations due to:

- differences between French and international definitions (which VINCI is working to harmonise);
- differences in labour and social laws in some countries;
- the fact that some estimates may not be representative or that some external data required for calculations may not be available, particularly data required for environmental indicators at VINCI Construction, where a statistical approach is being deployed for this purpose;
- changes in indicator definitions that could affect their measurement;
- changes in business scope from one year to the next;
- the difficulty of collecting data from a subcontractor or joint venture with external partners;
- the procedures for collecting and entering this information.

Eurovia France's energy consumption for 2010 was calculated at its consolidation level using the financial amounts the entities entered in the financial reporting tool and the average prices of diesel, domestic heating oil and natural gas during the environmental reporting reference period. Steps are being taken to report energy consumption directly in the financial reporting tool.

VINCI Park's water consumption in France is calculated from the total purchase cost of water divided by its average price in France. This calculation does not, however, apply to car parks equipped with fire extinguishing systems as they charge significantly higher prices for season tickets. For these car parks, the volume of water consumed is calculated using an average water price that is adjusted on the basis of the estimated season ticket cost for a sample of car parks. This method entails some uncertainty given the possibility that the sample selected may not be representative. This uncertainty is relatively small, however, in relation to the Group's total water consumption.

The figures in the annual report are based on data known at the end of the financial year. They may, however, be adjusted the following year if a significant anomaly is observed and provided that the adjustment is substantiated in detail. None of the figures published in the 2009 annual report were adjusted in 2010.

5. Consolidation and internal control

Social data is collected from each operational entity using "VISION II", a dedicated reporting package. Some checks are performed automatically when data is entered; Group business lines and divisions check data consistency within their respective scopes.

Social data is then consolidated in two steps:

- Step 1: at business line and division levels

Each level consolidates all data within its scope and checks that it is consistent. The data is then forwarded to the Group's human resources department.

- Step 2: at Group human resources department level

The Group human resources department consolidates all the data received and checks its consistency.

Environmental data is collected, checked and consolidated by the environment managers in each business line and division using their own IT tools.

All the data is then consolidated centrally using "VISION II" and data consistency checks are performed at Group level by the delegation for sustainable development. Comparisons are made with the previous year's data and any material discrepancies are analysed in detail.

6. External controls

Each year since 2003, VINCI has asked its Statutory Auditors to give their opinion on the quality of the procedures used to report social and environmental information and on the reliability of the data selected by VINCI. In 2010, the audit was conducted by two Statutory Auditors. The social and environmental indicators that they audited are identified in the tables by the symbol (see pages 126-147). The nature of the auditing work carried out and the findings are presented on pages 158-159.

F. General Information about the Company and its share capital

1. Corporate name and Articles of Association

Corporate name: VINCI.

Registered office: 1 cours Ferdinand de Lesseps, 92500 Rueil Malmaison, France

Telephone: +33 1 47 16 35 00 – Fax: +33 1 47 51 91 02

Type of company: French public limited company ("Société Anonyme") with a Board of Directors

Applicable legislation: French

Date of formation: 1 July 1908

Legal term of existence: The initial duration was set at 99 years and was extended by another 99 years on 21 December 1979. The date of expiry is thus 21 December 2078, unless the term of existence is extended once again or the company is liquidated at an earlier date.

Financial year: From 1 January to 31 December

Registration number: RCS 552 037 806 Nanterre – Siret no. 552 037 806 00585 – Code NAF: 7010Z

Place where legal documents can be consulted: Legal documents relating to VINCI are available at its registered office, at the Clerk's Office of the Nanterre Commercial Court and on the Company's website (www.vinci.com).

Corporate purpose (Article 2 of the Articles of Association)

The Company has as its purpose:

- undertaking all forms of civil engineering: in particular, development of the goodwill originally contributed by Sainrapt-et-Brice and continuation of the business of that company, specialising in all types of underground works, foundations, hydraulics and reinforced concrete; and
- more generally, all industrial, commercial, financial, securities and property operations directly or indirectly related to the purposes specified above.

The Company may pursue these operations in mainland France and overseas France, as well as other countries, either alone, or in partnership, on a trading basis, or in any other form whatsoever, either directly, or indirectly through transfer, leasing arrangements or under licence, either on a brokerage or commission basis.

In addition, it may implement any measures, either alone or by any other means, create any partnerships or companies, make any contributions in kind to existing companies, merge or enter into alliances with them, subscribe, purchase and resell any shares or other corporate rights, take all orders and extend any loans, credits and advances.

Statutory appropriation of income (excerpt from Article 19 of the Articles of Association)

At least 5% of the income for the year, after deduction of any previous year's losses, is taken to the statutory reserve. This ceases to be obligatory when the reserve reaches an amount equal to 10% of the share capital. This process is to resume when the reserve falls below this 10% level.

The income available for distribution consists of the income for the year (after deduction of previous years' losses as well as any amounts set aside in reserves in application of the law or Articles of Association) and retained earnings.

The Shareholders' Meeting allocates the following from this distributable income:

- any amounts considered by the Board of Directors as appropriate for constituting or supplementing any ordinary or special reserves, or for carrying over to the next year as retained earnings;
- the amount required for distribution to shareholders by way of a first dividend, equal to 5% of the amounts of their fully paid, unredeemed shares. Shareholders cannot, however, claim this dividend against the income of subsequent years should the income of a given year be insufficient for the dividend payment;
- the balance available after these allocations is distributed in respect of all shares, in proportion to the amount of the share capital they represent.

Following a proposal from the Board of Directors, the Shareholders' Meeting may decide to distribute amounts taken from available reserves. In such a case, the decision must indicate the specific reserves from which the amounts are to be taken.