TCI Fund Management Limited

Société VINCI SA
1, cours Ferdinand-de-Lesseps
92500 Rueil-Malmaison

On 12 March 2020

By email
(copy by registered letter with acknowledgement of receipt)

Subject: request for the inclusion of two resolutions on the agenda of the general meeting of VINCI SA of 9 April 2020

Dear Sir,

We represent TCI Fund Management Limited, acting for and on behalf of The Children's Investment Master Fund and Talos Capital Designated Activity Company, shareholders collectively holding 2.39% of the share capital of VINCI SA. Please find below the texts and explanatory statements of two resolutions that we are requesting you to submit to the Shareholders' Meeting of VINCI SA, as well as the supporting statement for the present request.

An extract from the Companies House register for TCI Fund Management Limited and the certificates of account registration required by Article R. 225-71 of the French Commercial Code are also attached.

Yours faithfully,

[Signatory]

RESOLUTIONS PROPOSED

TO THE COMBINED GENERAL MEETING OF SHAREHOLDERS OF 9 APRIL 2020

In accordance with articles L. 225-105 and R. 225-71 of the French Commercial Code, TCI Fund Management Limited, a company incorporated under English law and registered with Companies House under number 08898250, having its registered office at 7 Clifford Street, London, W1S 2FT, acting in the name and on behalf of (i) The Children's Investment Master Fund, located at PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands and (ii) Talos Capital Designated Activity Company, located at 10 Earlsfort Terrace, Dublin 2 Ireland, requires the inclusion of two resolutions on the agenda of VINCI SA's Combined General Meeting of Shareholders to be held on 9 April 2020.

1. SHAREHOLDER RESOLUTION N°1

1.1. Explanatory statement

We believe that climate change related risks, in particular a company's greenhouse gas emissions will have a material effect on a company's long-term profitability, sustainability and ultimately investor returns. Therefore, and considering the climate change emergency, it is imperative that the Company discloses information relating to its climate transition plan which shall be consistent with the goals of the Paris Agreement, the objectives of France's national energy policy, and with the Task Force on Climate-related Financial Disclosure recommendations.

1.2. Text of the proposed resolution

Shareholder resolution n°1: *annual disclosure of environmental information by the Company*

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, requires the disclosure by the Company, on an annual basis and for the three years following the present General Meeting, at reasonable cost and without disclosing proprietary information, of annual sustainability information, including a description of its climate change transition plan, consistent with the goals of Articles 2.1(a) and 4.1 of the Paris Agreement and the goals of Article L. 100-4 of the French Energy Code (together, the '***Climate Transition Goals***'), and consistent with the Task Force on Climate-related Financial Disclosure recommendations.

Such disclosure shall be posted to the Company's website no less than thirty days prior to its annual meeting of shareholders (save in respect of the Combined General Meeting of Shareholders to be held on 9 April 2020 where such disclosure shall be posted as soon as reasonably practicable) and shall address, at a minimum:

(1) **Metrics and Targets:** the Company's principal metrics and relevant targets or goals related to Scope 1, Scope 2 and Scope 3 greenhouse gas emissions (GHG) over the short (1 to 3 years), medium (3 to 5 years) and long-term (10-30 years), consistent with the Climate Transition Goals, together with disclosure of:

   a. the Company's targets to promote reductions in its operational greenhouse gas emissions, to be reviewed in line with changing laws and protocols and other relevant factors;
   b. the estimated carbon intensity of the Company and its progress on reduction in carbon intensity over time; and
   c. direct linkage between the above targets and executive remuneration; and

(2) **Capital Expenditure**: how the Company evaluates the consistency of each new material capex investment with (a) the Climate Transition Goals and separately (b) a range of other outcomes relevant to its strategy, including the cost of meeting its GHG reporting and targets commitments;

(3) **Progress reporting:** an annual review, beginning in respect of 2020, of progress against (1) and (2) above.

2. <u>SHAREHOLDER RESOLUTION N°2</u>

2.1. Explanatory statement

We believe climate change risks for companies are so important that it is not sufficient for these risks to be addressed through its mere inclusion in the Extra-Financial Performance Statement (Corporate Responsibility Report), in particular, since that does not allow a separate discussion on the climate transition topic. The Board should allow, as a separate item on the agenda and on an advisory basis, a vote on the annual sustainability information described in shareholder resolution n°1.

2.2. Text of the proposed resolution

Shareholder resolution n°2: *inclusion on the agenda of annual general meetings of an advisory vote on environmental information*

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, requires, for the three years following the present General Meeting, the inclusion by the Board of Directors of a specific resolution on the agenda of each Annual General Meeting, by which it submits to the vote of the shareholders on an advisory basis, and not to diminish the role and responsibilities of the Board of Directors, the approval of its approach to climate matters as disclosed in the annual sustainability information described in shareholder resolution n°1.

SUPPORTING STATEMENT FOR THE PROPOSED RESOLUTIONS

FOR VINCI SA'S ANNUAL GENERAL MEETING OF 9 APRIL 2020

Pursuant to Article R. 225-71 paragraph 7 of the French Commercial Code, the reasons for the request for the inclusion of the two resolutions (the "**Proposed Resolutions**") on the agenda of the Shareholders' Meeting of VINCI SA (the "**Company**") are described below.

For the purposes of this statement, "**Climate Transition Goals**" means the goals of (i) Articles 2.1(a) and 4.1 of the Paris Agreement, and (ii) Article L. 100-4 of the French Energy Code, as amended by Law No. 2019-1147 of 8 November 2019 on Energy and Climate Change.

The Proposed Resolutions contain a proposal to require the disclosure by the Company, on an annual basis and for the three years following the 2020 General Meeting, at reasonable cost and without disclosing proprietary information, of annual sustainability information, including a description of its climate change transition plan, consistent with the Climate Transition Goals, and consistent with the Task Force on Climate-related Financial Disclosure recommendations (the "***TCFD Recommendations***").

The reasons for such proposal are the following:

Climate Change Related Risks

We believe that climate change related risks, in particular a company's greenhouse gas ("**GHG**") emissions will have a material effect on a company's long-term profitability, sustainability and ultimately investor returns. These risks include regulation, taxation, competitive disadvantage, brand impairment, financing, physical asset impairment and litigation.

The concern over climate change risks led France to adopt a Law on energy and climate change on 8 November 2019 which amended the French Energy Code, declaring a climate and ecological emergency. Pursuant to Article L. 100-4 of the French Energy Code, the objectives of France's national energy policy are in particular:

- cutting its GHG emissions by 30%, (compared to 1990 levels) and achieving carbon neutrality by 2050;

7 Clifford Street, London, W1S 2FT Telephone: +44 (0) 20 7440 2330

- reducing final energy consumption by 50% in 2050 (compared to 2012 levels), aiming at intermediate targets of around 7% in 2023 and 20% in 2030;

- reducing primary energy consumption of fossil fuels by 40% in 2030 (compared to 2012 levels);

- increasing the share of renewable energies to 23% of total gross final energy consumption in 2020 and to at least 33% of this consumption in 2030, and, in order to achieve this objective, renewable energies will have to account for at least 40% of electricity production, 38% of final heat consumption, 15% of final fuel consumption and 10% of gas consumption.

With regard to forthcoming legislative developments, Article L. 100-1 A of the French Energy Code provides that by 1 July 2023, and then every five years thereafter, a law will need to determine the objectives and set the priorities for the national energy policy to respond to the ecological and climatic emergency. In addition, President Emmanuel Macron, during his 13 February 2020 speech for the launch of the French Biodiversity Office, underlined France's ambition to accelerate the transition to a low carbon economy and to persuade all countries to agree to carbon neutrality by 2050 and to increase collective commitments by 2030.

From a European perspective, the European Commission adopted several of the TCFD Recommendations (see for example communication C 209/01 of 20 June 2019), and invited publicly listed companies to publish certain information such as:

- the resilience of the company’s business model and strategy, taking into consideration different climate-related scenarios over different time horizons, including at least a 2 °C or lower scenario and a greater than 2 °C scenario;

- climate-related targets the company has set as part of its policies, especially any GHG emissions targets, and how company targets relate to national and international targets and to the Paris Agreement in particular;

- the outcomes of the company's policy on climate change, including the performance of the company against the indicators used and targets set to manage climate-related risks and opportunities;

- the development of GHG emissions against the targets set and the related risks over time.

According to the Commission, companies should consider setting targets for 2025 or 2030 and review them every five years. They should also consider setting a target for 2050 to align with the Paris Agreement.

Furthermore, the French Financial Markets Authority, in its 2019 annual report on CSR, pointed out that more than half of issuers (54%) mentioned the TCFD standard in their environmental reporting.

In light of the above, it is imperative that the Company disclose information relating to its climate transition plan which shall be consistent with the Climate Transition Goals and the TCFD Recommendations.

Shareholder engagement, disclosure and vote

We believe that shareholder engagement on climate change is crucial, not only for benefit of the economy and society as a whole, but also for the long-term benefit of companies, their profitability, sustainability and shareholder returns.

Climate action failure (defined as the failure of governments and businesses to enforce or enact effective measures to mitigate climate change, protect populations and help businesses impacted by climate change to adapt) has been ranked as the number 1 global risk in terms of impact and the number 2 global risk in terms of likelihood in the most recent Global Risks Report 2020 of the World Economic Forum[1]. Climate change is not just another risk: it is the single most important risk governments and businesses are facing.

We believe climate change risks for companies are so important that it is not sufficient for these risks to be addressed through its mere inclusion in the Extra-Financial Performance Statement (Corporate Responsibility Report), in particular, since that does not allow a separate discussion on the climate transition topic. Regardless of the company also including climate risk related information in its financial documents and Extra-Financial Performance Statement, the Board should allow as a separate item on the agenda of the annual general meeting, and on an advisory

[1] http://www3.weforum.org/docs/WEF_Global_Risk_Report_2020.pdf

basis, a vote on its annual sustainability information, including a description of its climate change transition plan consistent with the Climate Transition Goals, drawn in accordance with the TCFD Recommendations. This will allow a proper review and scrutiny by the shareholders and the rest of the company's stakeholders, with independence from other ESG factors.

Without diminishing the role and responsibilities of the Board of Directors to determine the company's remuneration policies, our view is that part of the short term incentive and long term incentive compensation of the Company's Named Executive Officers should be linked to the company's progress towards implementing and achieving the Climate Transition Goals. We would also support the adjustment of the short term incentive and long term incentive compensation of the Company's Named Executive Officers should such climate change related advisory resolutions not be passed at general meetings of the Company.

Needless to say, such information should omit confidential or commercially sensitive information.