

VINCI's Corporate governance



December 2019

A diagram showing three numbered items in a vertical list. Each item is preceded by a dark blue circle containing a white number. A dark blue curved line starts from the top left, passes through the circles, and ends at the bottom left. Each item is also preceded by a light gray horizontal bar.

1 The VINCI Group

2 Corporate governance

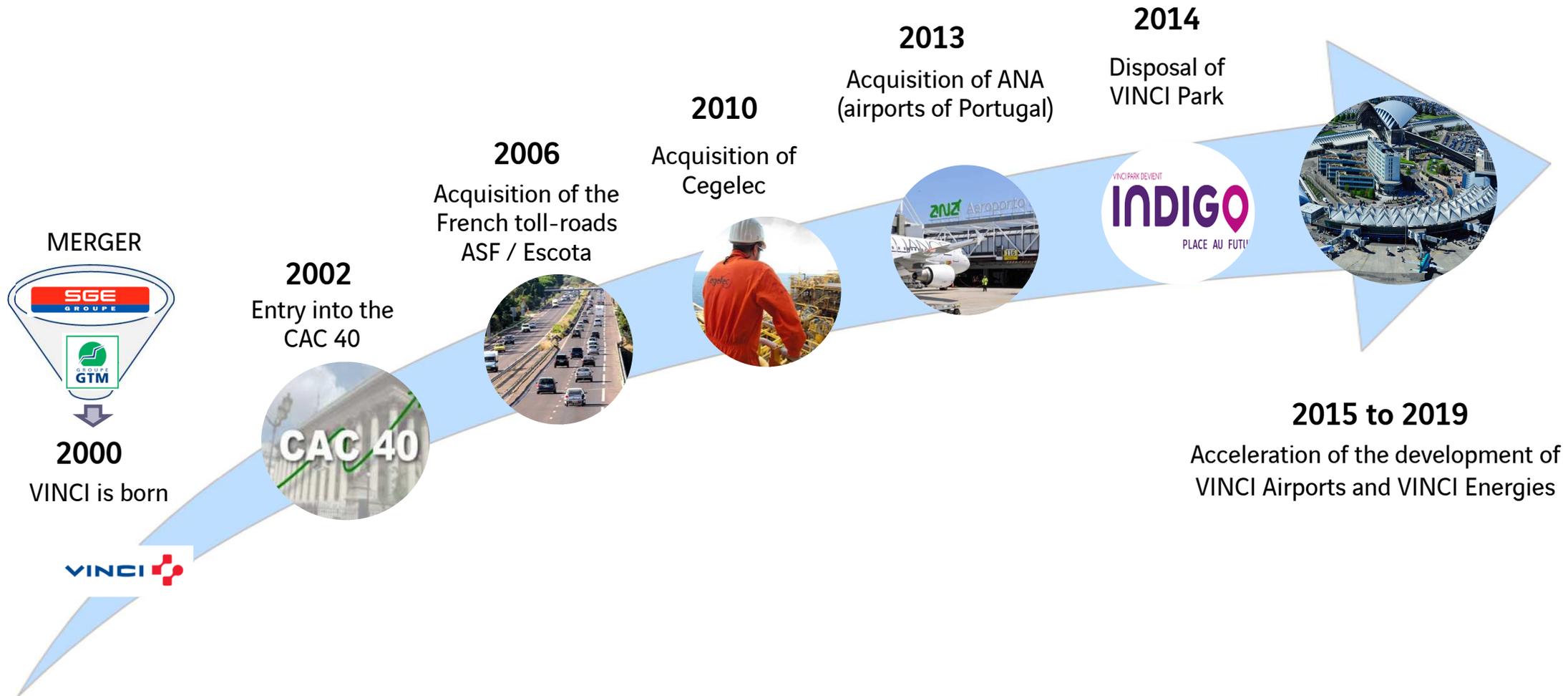
3 Social and environmental performance



The VINCI Group



History: from pioneer to global leader



VINCI 2018 key figures



211,233
employees

€43.5 bn
Group revenue

110
countries where
VINCI operates

3,200
estimated number
of business units

> 300,000
estimated number
of contracts



Concessions

Revenue: **€7.3 bn**

17,701 people

VINCI Autoroutes

6,168 people

VINCI Airports

10,025 people

Other
concessions

1,508 people

Real estate

Revenue: **€1.1 bn**

854 people

VINCI Immobilier

Contracting

Revenue: **€35.8 bn**

192,315 people

VINCI Energies

77,274 people

Eurovia

43,640 people

VINCI
Construction

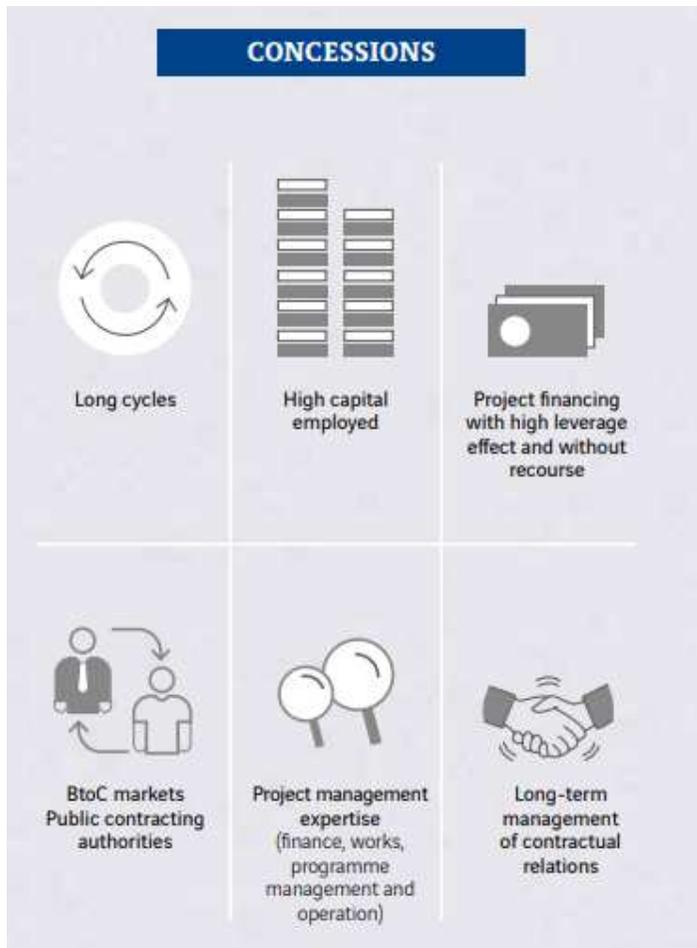
71,401 people

- ✓ Decentralised management
- ✓ The men and women at the heart of actions and organisations
- ✓ A local and global approach, rooted in all territories
- ✓ A global performance

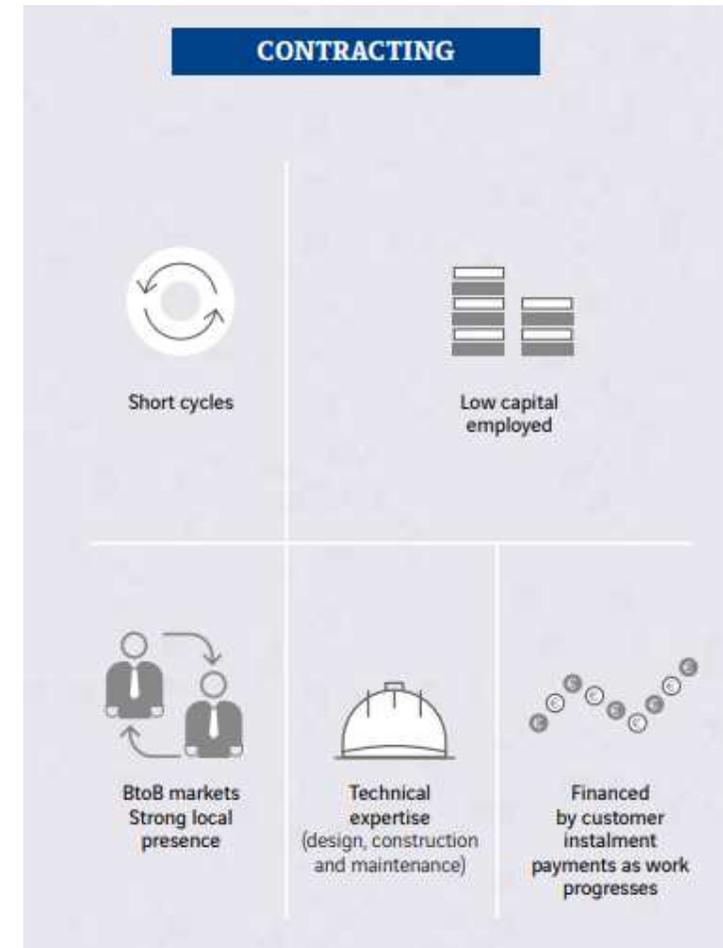


R E A L
S U C C E S S
I S T H E
S U C C E S S
Y O U S H A R E

The VINCI integrated Concessions-Contracting model

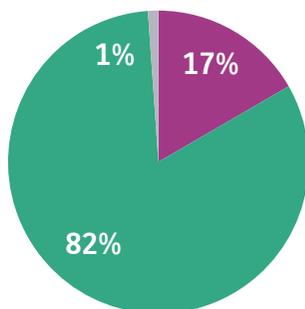


Synergy in expertise between concessions and contracting businesses to win new infrastructure projects



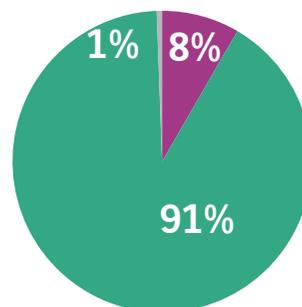
A combination of two complementary business profiles

REVENUE
€43.5 bn*

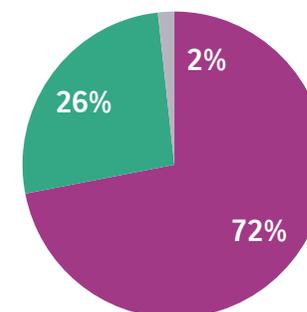


* o/w 43% outside France

EMPLOYEES
211,233

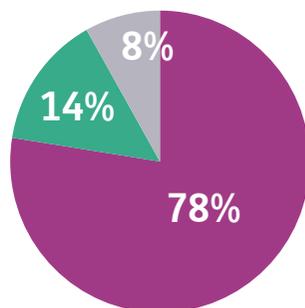


EBITDA**
€6.9 bn

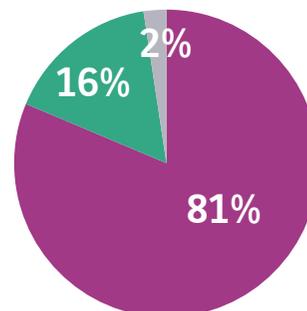


**Cash flow from operations before tax and financing costs

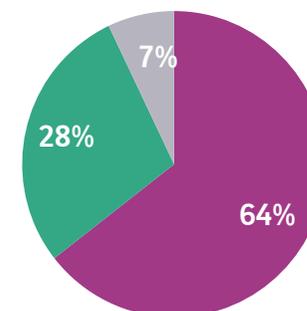
FREE CASH FLOW
€3.2 bn



CAPITAL EMPLOYED
€38.3 bn



NET RESULT
€3.0 bn



(2018 data)

Contracting

Concessions

Holdings & real estate

LEVERAGE THE STRENGTHS OF OUR INTEGRATED CONCESSIONS/CONTRACTING BUSINESS MODEL

CONCESSIONS

- ✓ Focus on airports and motorways (greenfield, yellowfield and brownfield projects)
- ✓ Extend maturity of concession portfolio

CONTRACTING

- ✓ Prioritise margin over revenue growth
- ✓ Focus on high value added segments

AND ACCELERATE INTERNATIONAL DEVELOPMENT

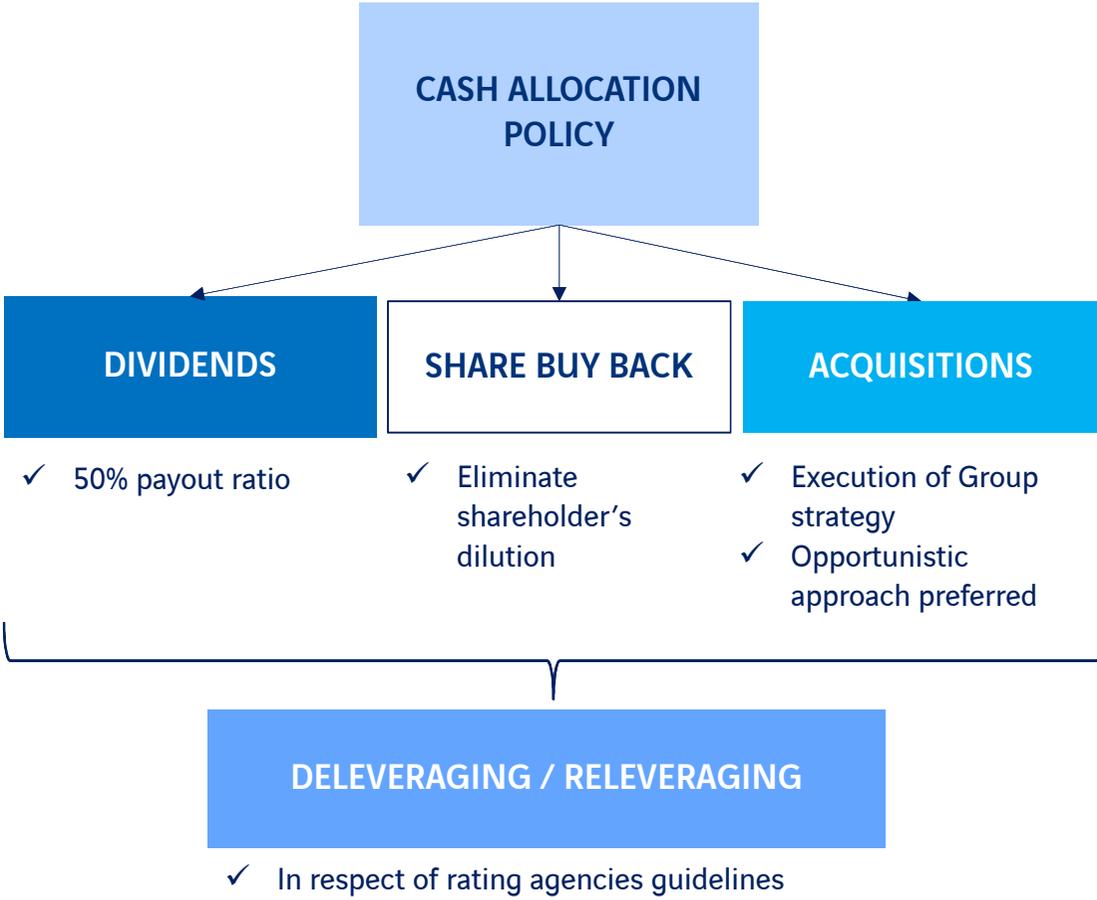
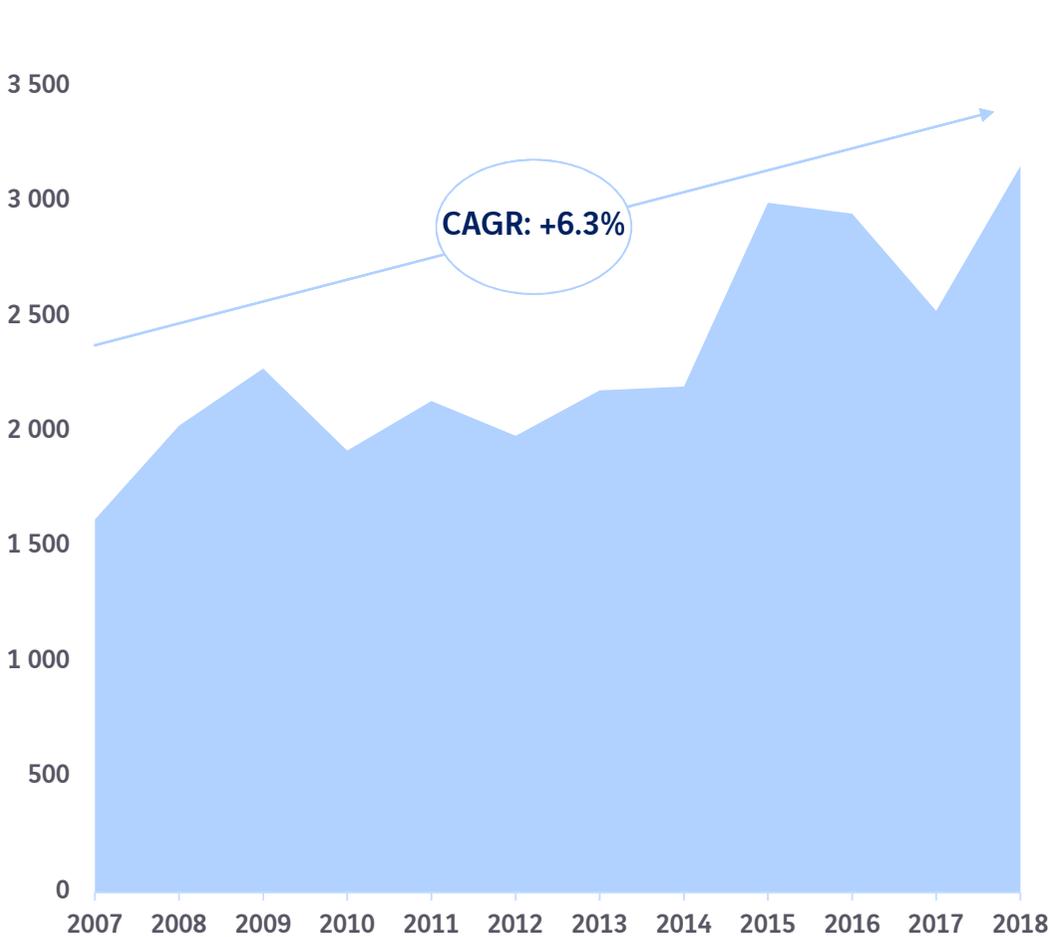


VINCI's strategy combines the natural organic growth of its businesses and development through acquisitions

Strong free cash flow generation and sound cash allocation principles



Free cash flow generation from 2007 to 2018: €28 bn total



An attractive dividend policy



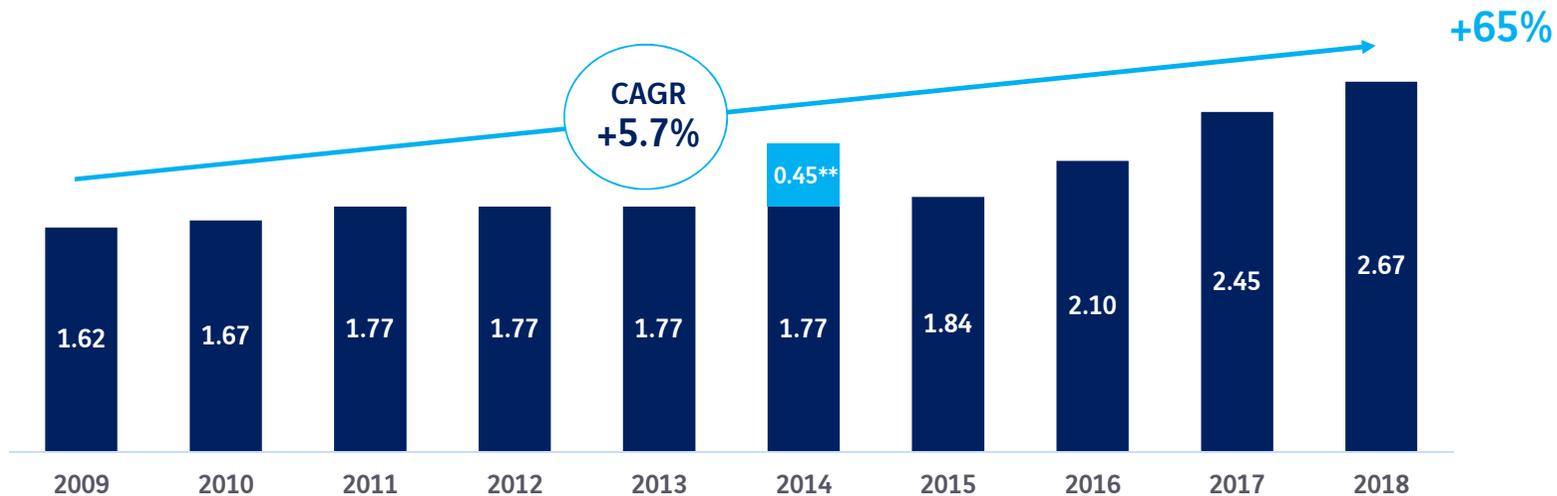
2019 interim dividend per share
(all-cash)

€0.79
up **5.3%**

Execution date **5 November 2019**

Payment date **7 November 2019**

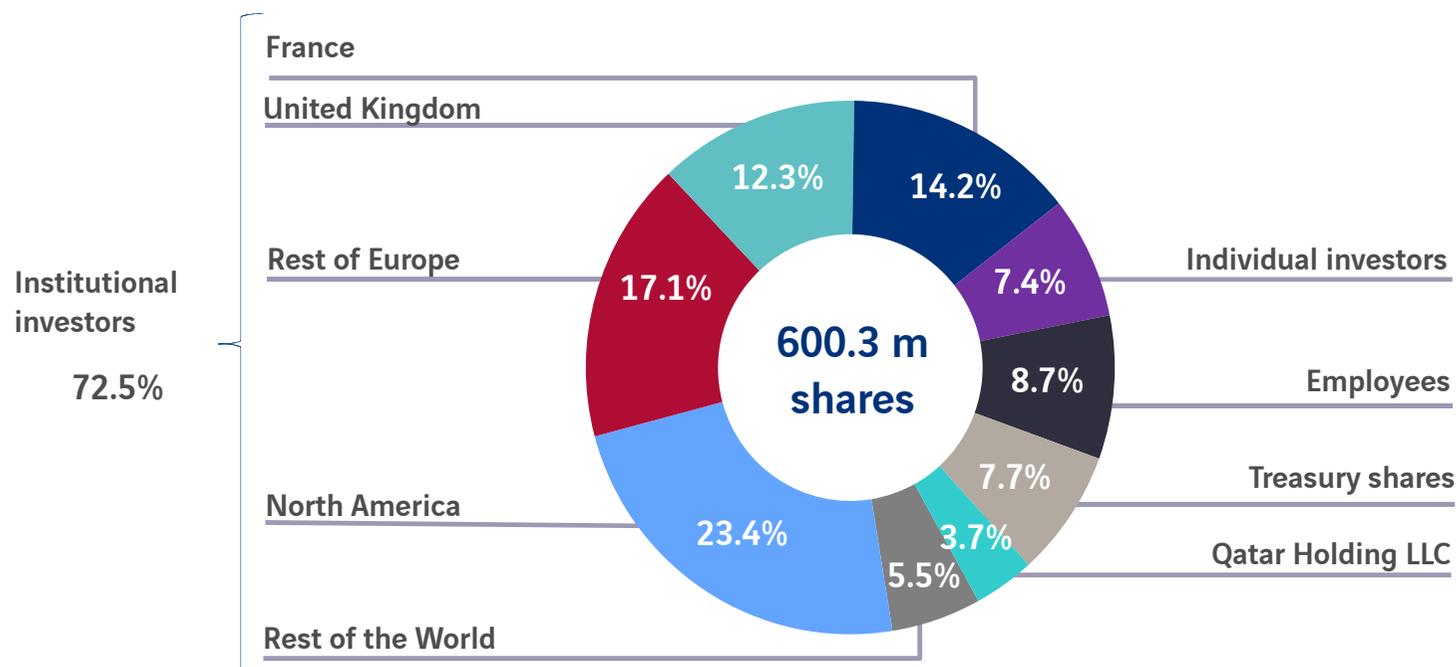
Dividend per share since 2009 (in €)



* To be proposed to the shareholders' General Meeting of 17 April 2019

** Special dividend linked to the disposal of VINCI Park

Alignment of shareholder's, employee's and group's best interests



Shareholding structure*

- ✓ Over **500** institutional investors
- ✓ Approximately **150,000** individual shareholders
- ✓ **135,000** Group employees and former employees are shareholders, including approximately **27,000** outside France

* Based on available information at the end of June 2019



Passenger numbers still buoyant at VINCI Airports (+6.8%)



Traffic levels at VINCI Autoroutes slightly down for LV (-0.6%), growing further for HV (+2.1%)



Good business momentum accross VINCI Energies, Eurovia, VINCI Construction and VINCI Immobilier



Growth in the order intake (+17%) and record high level of the order book to €37.3 bn (+14%)



2019 guidance of increase in revenue and net income confirmed

Outperformance of french and sectorial indexes since 10 years



Share price evolution from 30 November 2009 to 30 November 2019



Market capitalisation
2 December 2019

€59.9 bn

*Stoxx Europe 600 Construction & Materials

Aim for a global performance



Our goal is global performance, our managerial model drives our growth, and we believe in humanistic values



Corporate governance

Summary of corporate governance after the General Meeting of April 2019



Defines the Company's strategic choices and ensures they are properly implemented



Board of Directors
(16 members)

Xavier Huillard
Chairman and Chief Executive Officer

Maintains the balance of power



Yannick Assouad
Lead Director

Reinforce the connection between the Board of Directors and VINCI's business lines



Yves-Thibault de Silguy
Vice Chairman

Four specialised committees that report to the Board of Directors



Audit Committee

René Medori*
Yannick Assouad*
Robert Castaigne
Graziella Gavezotti*

Appointments and Corporate Governance Committee

Yannick Assouad*
Robert Castaigne
Jean-Pierre Lamoure*
Marie-Christine Lombard*
Yves-Thibault de Silguy

Strategy and CSR Committee

Yves-Thibault de Silguy
Uwe Chlebos
Dominique Muller Joly-Pottuz
Ana Paula Pessoa*
Pascale Sourisse
Permanent representative of Qatar Holding LLC*

Remuneration Committee

Marie-Christine Lombard*
Caroline Grégoire Sainte Marie*
Miloud Hakimi
Michael Pragnell*
Pascale Sourisse

* Independent Directors

Meetings open to all Directors

9 meetings in 2019
(seven ordinary and two extraordinary)

Women Directors
50 %

Foreign national
Directors
44 %

Independent
Directors*
69 %

Composition of the Board of Directors at 30 November 2019

- ✓ **16** Directors, including :
 - 2 representing employees
 - 1 representing employee shareholders
- ✓ **6** foreign nationalities
- ✓ **9** men and **7** women
- ✓ **9** independent Directors
- ✓ Average tenure : **7,5** years
- ✓ Average age of Directors : **62** years old

Directors' expertise in line with VINCI's strategy

Name	GENERAL EXPERTISE				INDUSTRY-SPECIFIC EXPERTISE					
	Technical fields	Economics, Finance	Communications	Legal affairs, public sector, Regulations	Property development, Construction	Aerospace and aviation	Telecoms Energy	Land transport	Digital	Services
Xavier Huillard										
Yves-Thibault de Silguy										
Yannick Assouad										
Robert Castaigne										
Uwe Chlebos										
Graziella Gavezotti										
Caroline Grégoire Sainte Marie										
Miloud Hakimi										
Jean-Pierre Lamoure										
Marie-Christine Lombard										
René Medori										
Dominique Muller Joly-Pottuz										
Anna Paula Pessoa										
Michael Pragnell										
Pascale Sourisse										
Qatar Holding - Abdullah Al-Attiyah										

A Chairman and CEO

Corporate governance appropriate to a decentralised Group needing decisions to be made centrally and strong executive management

Clear objectives :



The Group's good performance since 2010, when this governance system was implemented, confirms it was the right choice

Two key members of the Board : An independent Lead Director and a Vice-Chairman



Appointment of an independent Lead Director since November 1st 2018 to better align with shareholders' expectations

Yannick Assouad, independent Lead Director

Missions:

- ✓ **Main contact for Directors and in charge of shareholder dialogue** for governance questions.
- ✓ **Manage potential conflicts of interest.**

Powers:

- ✓ **Require the Chairman to call a Board meeting.**
- ✓ **Add any item to a Board meeting agenda.**
- ✓ **Call a Directors meeting in the absence of the Chairman and CEO.** Once each year, notably to debate on governance matters and on the performance of the CEO.
- ✓ **Chair the Appointments and Corporate Governance Committee.**

Yves-Thibault de Silguy, Vice-Chairman

Missions:

- ✓ **Help the Chairman** when requested, to perform his missions.
- ✓ **Enlighten the Board** on the matters and organisational aspects brought to the attention of the Board.
- ✓ **Represent the Group** at the Chairman's request, notably out of France
- ✓ Participate in meetings **with shareholders.**
- ✓ **Chair the Board** in the Chairman's absence.

Powers:

- ✓ **Kept regularly informed by the CEO** of the significant events and situations pertaining to the Group's life.
- ✓ **Chair the Strategy and CSR Committee.**
- ✓ **Direct access to the members of the Group's Executive Committee.**

Audit Committee

Composition	Main assignments
Independent Chairman : René Medori	✓ Monitor the process of compiling financial information
Members : Yannick Assouad Robert Castaigne Graziella Gavezotti	✓ Monitor the effectiveness of internal control and risk management systems ✓ Evaluation of proposals for the appointment of the Company's Statutory Auditors or the renewal of their terms of office as well as their remuneration and issuing a recommendation in this matter

Strategy and CSR Committee

Composition	Main assignments
<p>Chairman : Yves-Thibault de Silguy</p>	<ul style="list-style-type: none">✓ Formulation of an opinion to Executive Management on proposed acquisitions or disposals of a value exceeding €50 million euros
<p>Permanent members: Uwe Chlebos Dominique Muller Joly-Pottuz Ana Paula Pessoa Pascale Sourisse Qatar Holding LLC</p>	<ul style="list-style-type: none">✓ Ensure that CSR matters are taken into account in the Group's strategy and implementation✓ Ensure that whistle-blowing systems have been put in place
<p>Meetings open to all Directors</p>	<ul style="list-style-type: none">✓ Examine VINCI's sustainability commitments with respect to the issues faced in its business activities

Acquisitions: a bottom-up and collective decision process



   M&A and PPP projects initiated and executed at the business line level...
   but reviewed by the Board above certain thresholds

	Thresholds	Review by
➔	Investments or commitments > €50 millions	Strategy and CSR committee (Board committee)
➔	Investments or commitments > €200 millions	VINCI BOARD

Remuneration Committee

Composition

Independent Chairman :
Marie-Christine Lombard

Members:
Caroline Grégoire Sainte Marie
Miloud Hakimi
Michael Pragnell
Pascale Sourisse

Main assignments

- ✓ Make recommendations to the Board concerning remuneration, pension and insurance plans, benefits in kind and miscellaneous pecuniary rights granted to executive company officers

Principles and guidelines of the CEO remuneration policy 2019 – 2022



A balanced, capped and demanding remuneration policy

Item of remuneration	Type of payment	Amount (€ thousands)	Upper limit (€ thousands)	Performance conditions	Performance indicators	Relative weight of indicator
Fixed component	Cash paid during calendar year	1,200	1,200	No		
Short-term variable component	Cash paid during calendar year following its approval at the Shareholders' General Meeting	0 to 1,920	160% of fixed component	Yes	Recurring operating income	} 60%
					Operating cash flow	
					Earnings per share attributable to owners of the parent	
					Environmental, social and governance (ESG) indicators	25%
					Group expansion	15%
Total						100%
Long-term component	Paid in shares that vest after three calendar years	Number of shares set by Board	100% of upper limit of short-term remuneration (fixed and variable)	Yes	Internal criteria: ROCE/WACC	65%
					External criteria: VINCI TSR/CAC 40 TSR	20%
					Environmental criteria CDP CARBON score	15%
					Total	100%

More details given p.156 to p.158 of VINCI 2018 annual report

Appointments and Corporate Governance Committee

Composition	Main assignments
<p>Independent Chairman: Yannick Assouad</p> <p>Members: Yves-Thibault de Silguy Robert Castaigne Jean-Pierre Lamoure Marie-Christine Lombard</p>	<ul style="list-style-type: none">✓ Make proposals on the selection of Directors✓ Make recommendations for the appointment of executive company officers and succession plans✓ Monitor the evaluation process of the Board of Directors

Succession plans: a monitored process

- ✓ The Appointments and Corporate Governance Committee makes sure that it **always has a succession plan in place** for the Chairman and Chief Executive Officer in the event of the latter's incapacity.
- ✓ The natural succession process for the Chairman and Chief Executive Officer in the medium term is organized by the Chief Executive Officer and the Lead Independent Director and regularly discussed at meetings of the Appointments and Corporate Governance Committee, so as to ensure **a timely successful and effective management transition**.
- ✓ The **process relating to the succession plans for the Group's other senior executives** is supervised by the Chief Executive Officer in coordination with the Appointments and Corporate Governance Committee for Executive Committee members, and by the Executive Committee for all other senior executives. In the latter case, a report on the Executive Review process is made to the Appointments and Corporate Governance Committee.

Formal assessment of the Board



Formal assessment of the composition and functioning of the Board with the assistance of an outside consultant decided by the Board

Assessment carried out

Conclusions of the report will be presented to the Board



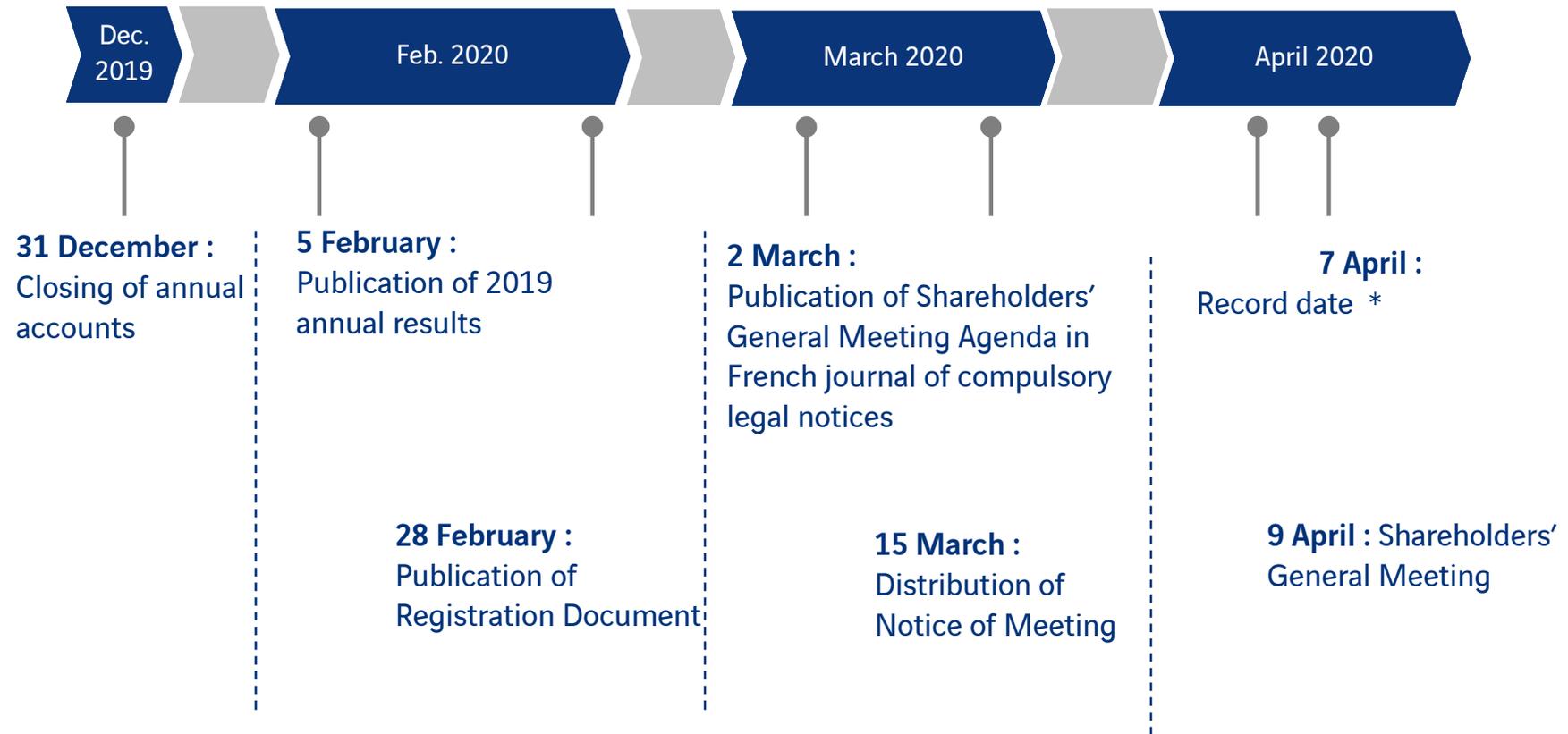
Appointment of a new independent director



- ✓ End of M. Lamoure's term of office at the close of the 2020 Shareholders' General Meeting
- ✓ From this date, he would no longer be considered independent

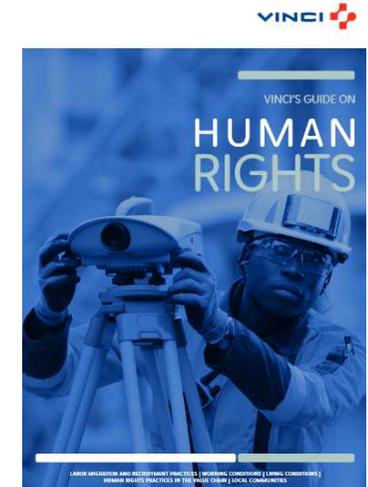
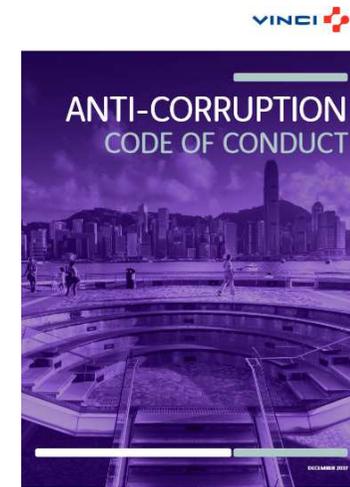
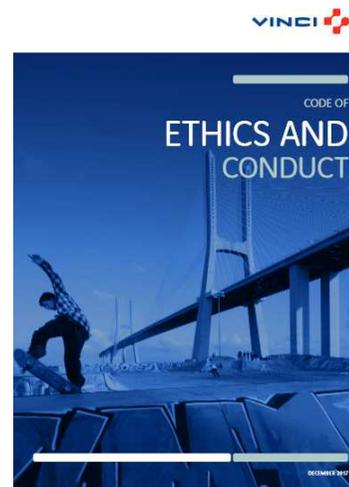
Appointment of a new independent director at the 2020 Shareholders' General Meeting

Calendar 2019/ 2020



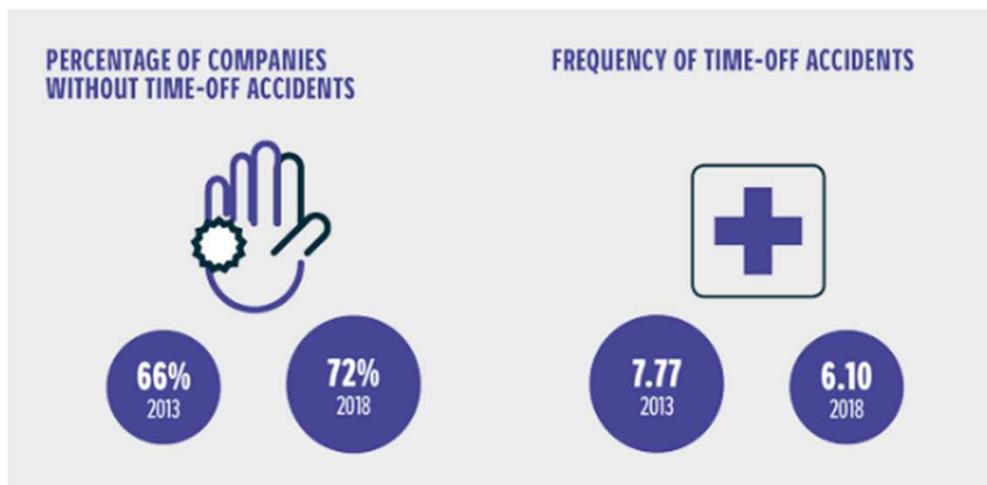
* Date by which a shareholder's shares must be registered in order to participate in the Shareholders' General Meeting

Social and environmental performance

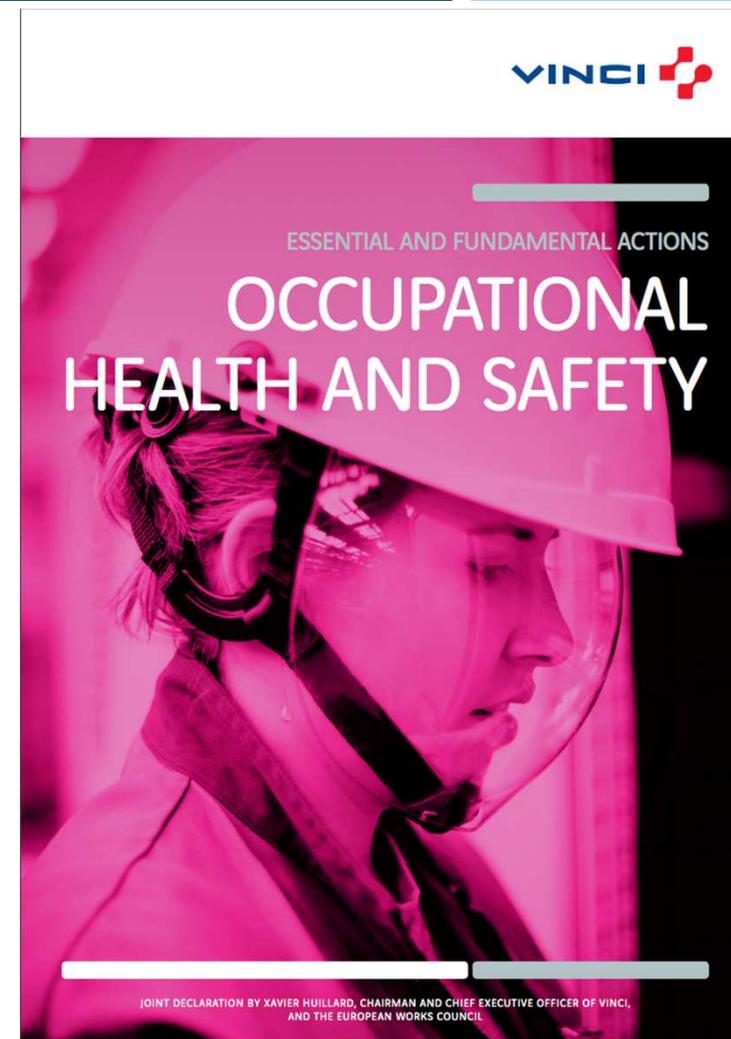


Documents available in 30 languages and for 99 % of employees

Zero accidents on worksites



- An in-house network of health and safety coordinators
- Committed managers
- Trainings and best practices

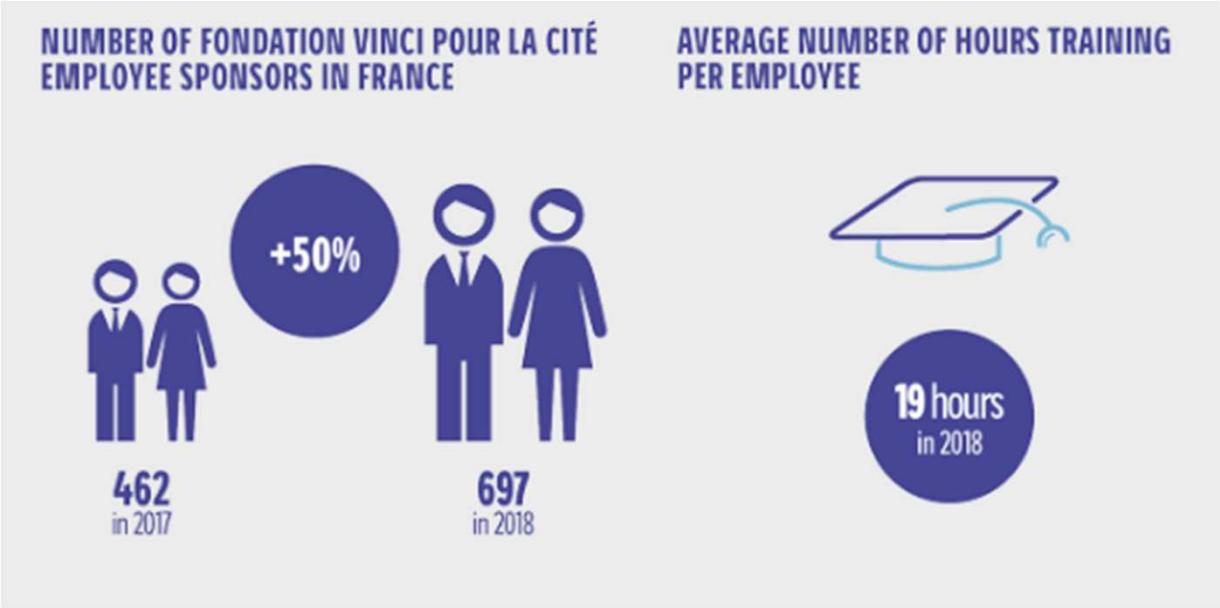




- An in-house diversity network of 300 people
- Promoting gender equality (multiply by 2 the number of women in steering committees)
- Fostering the employment of people with disabilities



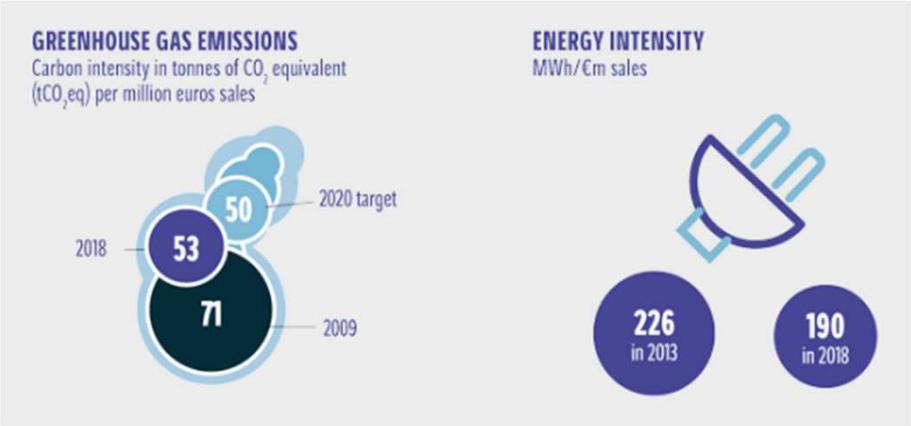
Encouraging teams' professional fulfilment



Employee training, sharing the benefits of performance (97% of employees benefited from profit-sharing plans in 2018) as well as initiatives to encourage integration (VINCI Insertion Emploi) and civic engagement are key to encourage our teams professional fulfilment

Environmental targets to answer climate challenges

Energy consumption reduction and renewable energy



Ecological engineering to avoid biodiversity loss



Circular economy to tackle resources challenge



Our commitments recognised



Extra-financial rating

Vigeo 2018 - Heavy construction
"Best In Class"

DJSI 2018 - Construction and Engineering
71/100

Member of DJSI world and Europe

CDP Carbon 2018 
A-



High speed charging stations on VINCI Autoroutes



Power Road® by Eurovia

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