

2021 UNIVERSAL REGISTRATION DOCUMENT

INCLUDES THE FULL-YEAR FINANCIAL REPORT



BOUYGUES

Making progress become reality

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Elements from the following documents are clearly identified in the contents by pictograms:

- Full-year Financial Report **FYFR**
- Statement on Non-Financial Performance (SNFP) **SNFP**



2021 UNIVERSAL REGISTRATION DOCUMENT

INCLUDES THE FULL-YEAR FINANCIAL REPORT

The Universal Registration Document
can be read and downloaded
at [bouygues.com](https://www.bouygues.com)



This document is a free translation of the Universal Registration Document filed on 23 March 2022 with the Autorité des Marchés Financiers (AMF) in its capacity as competent authority within the meaning of Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said Regulation.

The Universal Registration Document may be used for the purposes of a public offering of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, where relevant, a summary and all amendments made to the Universal Registration Document. The resulting set of documents is subject to approval by the AMF pursuant to Regulation (EU) 2017/1129.

The Full-year Financial Report is a reproduction of the official version of the Full-year Financial Report prepared in European Single Electronic Format (ESEF) and available at [bouygues.com](https://www.bouygues.com).

MARTIN BOUYGUES

Chairman of the
Board of Directors

A message from the Chairman

“

Our external growth projects
will make the Group even more
resilient and expand its reach.”



2021 will be remembered in the annals of the Group as a particularly significant year.

Firstly, full-year 2021 results were excellent.

We made some changes to our governance in order to address the challenges we face, whether economic, climate-related, social or digital.

At my proposal, the Board of Directors opted to separate the functions of Chairman and Chief Executive Officer. I now serve as Chairman, with Olivier Roussat fulfilling the role of Chief Executive Officer. He is supported by two new Deputy Chief Executive Officers: Pascal Grangé and Edward Bouygues. The arrival of a new generation of senior executives, acknowledged for their professional skills, trained within the Group and perfectly familiar with its culture, is entirely consistent with the tradition at Bouygues which, since its foundation, has always chosen its managers from within its ranks in order to secure its future.

We also announced a proposed merger between TF1 and M6 to create a major French media group and signed a purchase agreement with Engie to acquire Equans with the ambition of creating a major global player in multi-technical services. Both these deals, which are subject to obtaining the necessary approvals, represent **two unique opportunities** to make the Group more resilient and expand its reach.

Towards the end of 2020, we unveiled a new stage in our Climate strategy to our stakeholders, setting out quantified targets for reducing our greenhouse gas emissions at a pace consistent with the Paris Agreement. And in 2021, we accelerated the roll-out of our decarbonisation actions, in relation to both our products and services and the internal operations of the Group's businesses. This initiative has already produced its first results across all our business segments. In addition, Colas recently became the first of the Group's business segments to have its greenhouse gas emission reduction targets endorsed by the Science Based Targets initiative (SBTi). We intend to devote significant resources to rolling out our plan. And because we recognise that protecting the planet and addressing the climate emergency require urgent action, we will continue stepping up our efforts to meet our targets for 2030.

At Bouygues, we believe that a business is above all about human endeavour rather than money or processes. That is why, as we face the key challenges to come – completing our future-shaping acquisitions and achieving the targets set out in our Climate strategy – we know that the skill, expertise, determination and mindset of our people will make all the difference. Drawing on its unique culture and strong values, the Group is well-positioned for 2022 – Bouygues' 70th anniversary year.

A handwritten signature in black ink, appearing to read 'M. Bouygues', written over a horizontal line.

23 February 2022

INTERVIEW

Olivier ROUSSAT
Group Chief Executive Officer

How would you sum up 2021?

First of all, I want to thank the Group's employees for their resilience, professional conduct and strong ability to adapt in these uncertain times.

2021 was a remarkable year in many respects. The Bouygues group returned to its growth momentum, as evidenced by its excellent results, and achieved or exceeded all its financial targets. Buoyed by its confidence in the future, the Board of Directors has proposed a dividend of €1.80 per share, which is higher than in the previous year. The Group also enjoys a particularly robust financial structure, with net debt at a historically low level. As a result, it has strong investment capacity, which it can leverage in particular to grow its business segments.

In this respect, the Group seized two unique opportunities. Firstly, it signed a purchase agreement with Engie to acquire Equans with the aim of becoming the world's number-two provider of multi-technical services. And secondly, it signed an agreement to merge TF1 with M6 in order to create a major French media group.

We accelerated the roll-out of the actions set out in our Climate strategy, which we unveiled in December 2020, as well as putting our 2021 CSR roadmap into action.

Could you expand on your 2021 CSR roadmap?

In May, we launched our second Gender Balance plan, which runs from 2021 to 2023 and includes worldwide targets. By 2023, our aim is to have women occupy 20% of managerial positions and 30% of executive body positions at Group level. I firmly believe that gender balance is a major driver of performance and can help accelerate the transformation of the Group.

Improvements were also made to quality of life in the workplace, while all our employees worldwide benefited from an increase in the common core of employee benefits under our BYCare programme.

Also, as part of its Climate strategy, the Group has earmarked, within its expenditure for 2022-2024, an estimated €2.2 billion that will help reduce its carbon footprint.

A Group-wide committee was set up to identify the impacts of the Group's businesses on biodiversity. Each business segment has made pledges and drawn up action plans on this front, including measures to reduce direct pressure from land-use change, to restore nature, to combat the spread of invasive alien species and to limit pollution at worksites.

“

**Bouygues’
excellent
momentum
makes us
confident about
our future”**



What, in your view, are the key challenges facing the Bouygues group?

We are facing three major challenges. The first is the climate emergency, which is both an obstacle and a growth opportunity, because we stand ready to help our customers reduce their own carbon footprints. There is now widespread awareness and recognition of climate-related issues among our customers worldwide, as well as among the financial community, young graduates and our employees.

The second challenge is to be able to make our business segments more competitive through differentiation by leveraging our innovation capability, the quality of our products and services and our close relationship with customers. We must also grasp the opportunities to boost productivity that the digitisation of certain building processes permits. We will also need to pursue the roll-out of our standards of operational excellence and the margin improvement plans in each of our business segments.

The third and final challenge, of course, is to bring our two major external growth projects to successful completion, so that they may help create value for our stakeholders.

How do you see 2022 shaping up?

Bouygues is well-positioned for 2022. In financial terms, the Group is expecting a further increase in sales and current operating profit versus 2021. And on the CSR front, after the endorsement of Colas’ greenhouse gas emission reduction targets, the Group is now looking for the SBTi^(a) to endorse the decarbonisation targets of its other business segments. We will also be working hard to roll out our action plans in order to achieve the targets set

Thanks to the dedication of our people and their mindset, as well as to the confidence that we enjoy among our customers and shareholders, we are confident about the future and in our ability to address the challenges that we face.

Date of interview:
23 February 2022

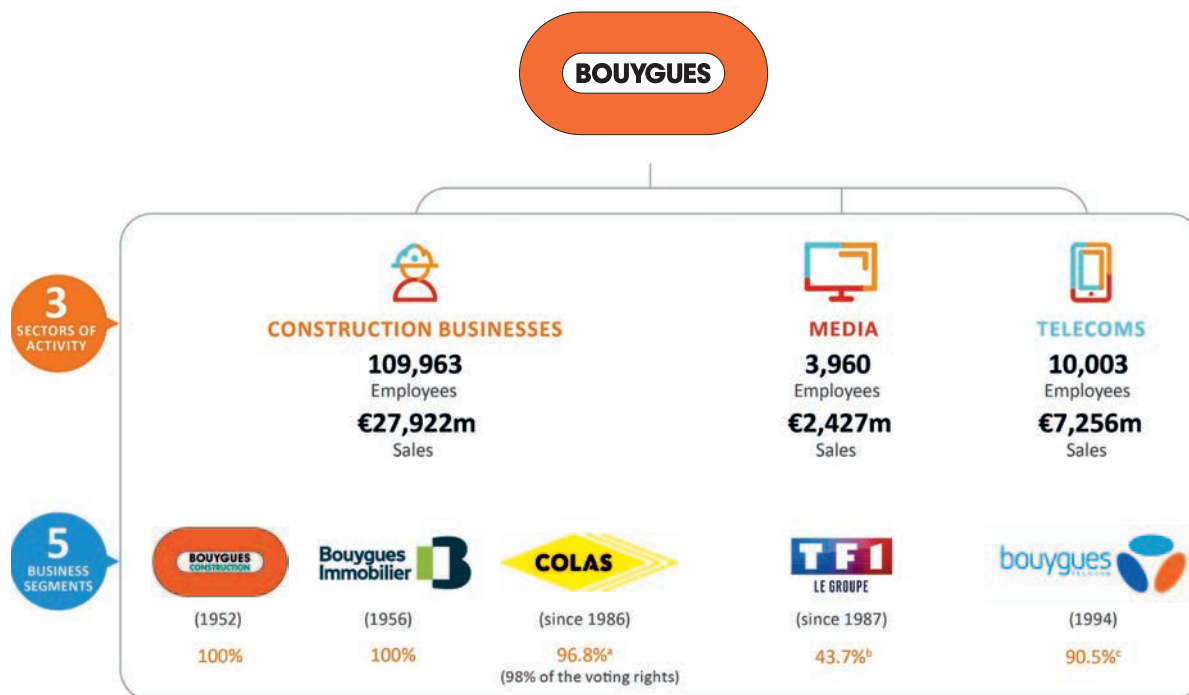
 The Group’s Integrated Report
is available at [bouygues.com](https://www.bouygues.com)

(a) Science Based Targets initiative, a joint effort of the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

THE BOUYGUES GROUP

Simplified organisation chart

at 31 December 2021



(a) The rest of the share capital is held by institutional investors, individual shareholders and employees.

(b) The rest of the share capital is held by institutional investors, individual shareholders and employees.

No double voting rights

(c) The rest of the share capital is held by JCDecaux Holding.

Key dates for the Group

1952

Francis Bouygues founds
Entreprise Francis Bouygues
(EFB), a building firm.

1956 – Diversification into property development by creating Stim, which later becomes Bouygues Immobilier.

1986 – Bouygues becomes the world's largest construction firm after the acquisition of Sreg, the parent company of Colas, the leading roadworks contractor at the time.

1987 – Bouygues acquires a stake in the television channel TF1, and then becomes its largest shareholder.

1989 – Martin Bouygues becomes the Chairman and CEO of the Bouygues group, taking over from his father, Francis Bouygues.

1994 – Bouygues is awarded a licence to operate France's third mobile phone network. Bouygues Telecom is founded in 1996.

2006 – Bouygues acquires the French government's stake in Alstom.

2016 – TF1 acquires Newen, France's leading TV production and distribution company.

2018 – Bouygues Construction and Colas expand their international footprint through acquisitions in Germany, Canada and Switzerland. TF1 bolsters its position in digital media.

2019 – Bouygues begins to divest its equity interest in Alstom.

2020 – Bouygues Telecom becomes France's third biggest mobile operator following the acquisition of EIT. The Group unveils ambitious greenhouse gas emissions reduction targets as part of its Climate strategy.

2021 – Martin Bouygues becomes Chairman of the Board of Directors and Olivier Roussat the Chief Executive Officer of the Bouygues group. Signing of a purchase agreement allowing the Group to acquire Equans (an Engie subsidiary). Signing of agreements relating to a proposed merger between TF1 and M6.

THE GROUP 1

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The consolidated financial statements at 31 December 2021 are presented with comparatives based on the financial statements at 31 December 2020, in which the balance sheet, statement of recognised income and expense, and change in shareholders' equity have been restated for the effects of applying the IFRS IC final decision on IAS 19.

The impacts mainly affect non-current provisions and shareholders' equity, and are described in Note 2 to the 2021 consolidated financial statements in Chapter 6.

1.1 PROFILE AND STRATEGY

1.1.1 Making progress become reality

Group core objectives and vision

Bouygues is a diversified services group operating in markets with strong growth potential. Present in over 80 countries, the Group draws on the expertise of its people and on the diversity of its business activities to provide innovative solutions that meet essential needs. It works to create value over the long term and share it with all its stakeholders. It has defined a strategic framework through which its business segments roll out their operational strategies in order to fulfil the Group's mission, which is **to make life better every day for as many people as possible**.

Strategy

The Bouygues group's business segments **drive growth over the long term** because they all meet **essential needs**, such as housing, transportation, generating and saving energy, bringing people closer together, communication, information and entertainment. Furthermore, their diversity helps cushion the impact of less positive business cycles, as the Group proved throughout the Covid pandemic.

These features help Bouygues generate **free cash flow over the long term**. The value created can then be reinvested to grow the Group and shared with its stakeholders.

Bouygues also strives to maintain a **robust financial structure** in order to ensure its independence and preserve its model over time. For example, the Group's construction businesses tie up a small amount of capital and generate a high level of cash. Bouygues' gearing, corresponding to net debt over shareholders' equity, stood at 7% at end-2021.

This entire strategy can be rolled out over the long term thanks to the stability of Bouygues' ownership structure. It also draws on the **strong fundamentals of our culture** which are respect, trust, creativity and imparting expertise. All these features come together to shape the identity of our unique Group.

In response to the climate emergency, Bouygues is making a tangible pledge to reduce its carbon footprint and that of its customers. The Group has adopted a Climate strategy and set targets for reducing its greenhouse gas emissions by 2030 at a pace consistent with the Paris Agreement. Colas' greenhouse gas emissions reduction targets were endorsed by the Science Based Targets initiative (SBTi^(a)) in 2021.

In 2021, the Group's business segments focused their actions on continuing to develop low-carbon commercial solutions, mitigating the carbon impact of their purchasing and raising awareness of climate-related issues amongst their employees.

The Group and each of its business segments manage the Climate strategy and its objectives within a specific governance structure. The Boards of Directors of the Group and of the business segments review their Climate strategy on an annual basis. A "carbon" criterion is included in the performance-linked pay of corporate officers and the heads of the five business segments. In order to ensure the success of the Climate strategy, the Group has earmarked, within its expenditure for 2022-2024, an estimated €2.2 billion aimed at helping to reduce its carbon footprint.

Biodiversity loss ranks alongside the climate emergency as a key concern for the Group, especially for its construction businesses. In 2021, commitments on biodiversity preservation and restoration were made, and action plans were set up in each of the business segments.

THE BOUYGUES GROUP'S STRENGTHS

• Dedicated employees

Bouygues' people bring an unparalleled sense of dedication, passion and duty to their responsibilities. Drawing on a strong Group culture, they openly embrace challenge and adhere to high standards of quality for the benefit of customers, both individually and as part of a team.

• High value-added products and services

The Group's business segments put their technical expertise, experience and capacity for innovation to work for their customers' complex infrastructure and sustainable construction projects. They stand out from the competition by offering comprehensive, high value-added solutions.

• Spans the entire value chain

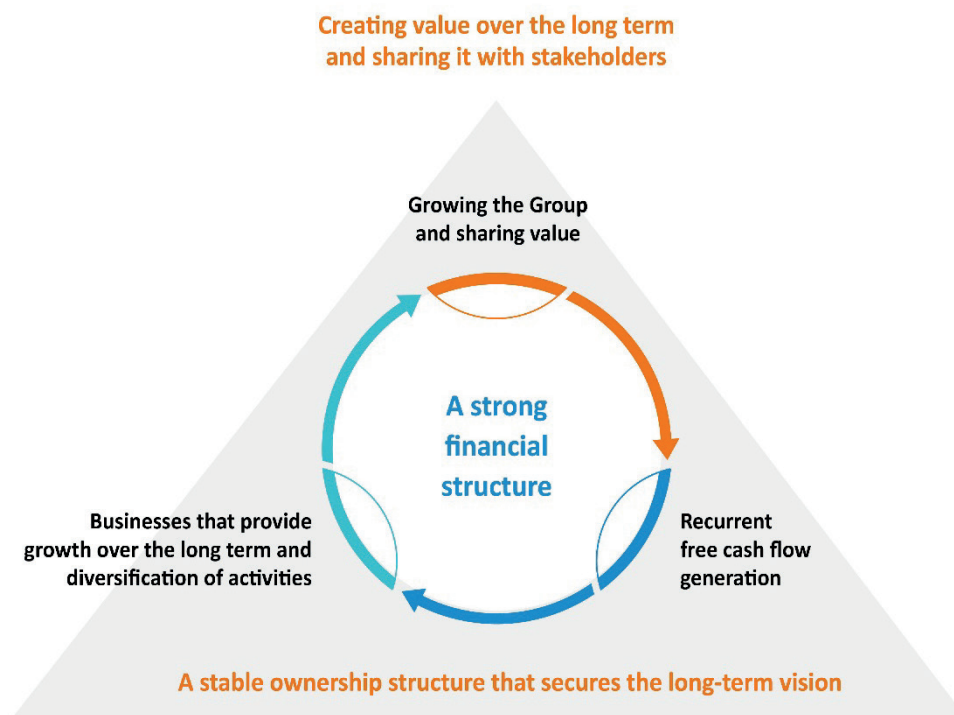
The business segments adhere to high standards of operational excellence and efficiency to span the entire value chain. They have become skilled in incorporating the best internal and external expertise, delivering customised solutions and maintaining direct contact with their customers.

• A selective long-term presence worldwide

In addition to its strong presence in France, the Bouygues group has pursued a long-term and selective expansion into international markets. It has done so by taking advantage of only those growth opportunities that meet its risk-management standards.

(a) A joint effort of the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

The virtuous circle of the Group's strategy



A high level of employee share ownership

Bouygues' ownership structure is based on two long-standing core shareholders:

- SCDM, a company controlled by Martin and Olivier Bouygues and their families, and
- its employees, through a number of dedicated mutual funds.

At 31 December 2021, around 52,000 employees owned shares in the Group, making Bouygues the CAC 40 company with the highest level of employee share ownership. For over 50 years, the Group has been offering innovative and long-term mechanisms for employee share ownership.

Ownership structure

at 31 December 2021



(a) Includes theoretical voting rights attached to treasury shares.

OUR BUSINESS MODEL **SNFP**

The Bouygues group’s business model is based on a sustainable use of natural resources and the decarbonisation of its three sectors of activity. Its resilience ensures a long-term future for the Group whilst creating value for its stakeholders.

OUR RESOURCES

at 31 December 2021

HUMAN CAPITAL

- Over 124,600 employees
- Diversity and depth of expertise across the Group’s five business segments
- Corporate universities providing employee training

ECONOMIC AND FINANCIAL CAPITAL

- A stable ownership structure
- **A strong financial structure**
- Recurrent free cash flow generation (€0.9 billion per year on average since 2017)

NATURAL CAPITAL

- A Climate & Biodiversity strategy to improve the Group’s environmental footprint
- **Colas’ circular economy initiatives, which are sources of environmental and economic benefits**
- **Colas’ greenhouse gas emissions reduction targets, which are endorsed by the Science Based Targets initiative (SBTi)**
- 96% of Bouygues Construction’s sales are covered by Iso 14001^a

PRODUCTIVE CAPITAL

- **Group:**
 - €2 billion in net capital expenditure
- **Construction businesses:**
 - A global footprint: over 18,000 Bouygues Construction worksites, plus Colas’ network of 800 profit centres and 3,000 materials production units (quarries, asphalt mixing and ready-mix concrete plants, a bitumen production plant)
 - 2.7 billion tonnes of authorised aggregate reserves^b for Colas
 - Colas’ Campus for Science and Techniques: the leading private road construction research centre in the world (100 engineering design offices and 50 laboratories in France and worldwide)
- **Media:**
 - TF1’s production subsidiaries operate in 9 different countries
- **Telecoms:**
 - Over 22,600 mobile sites and a diverse portfolio of frequencies

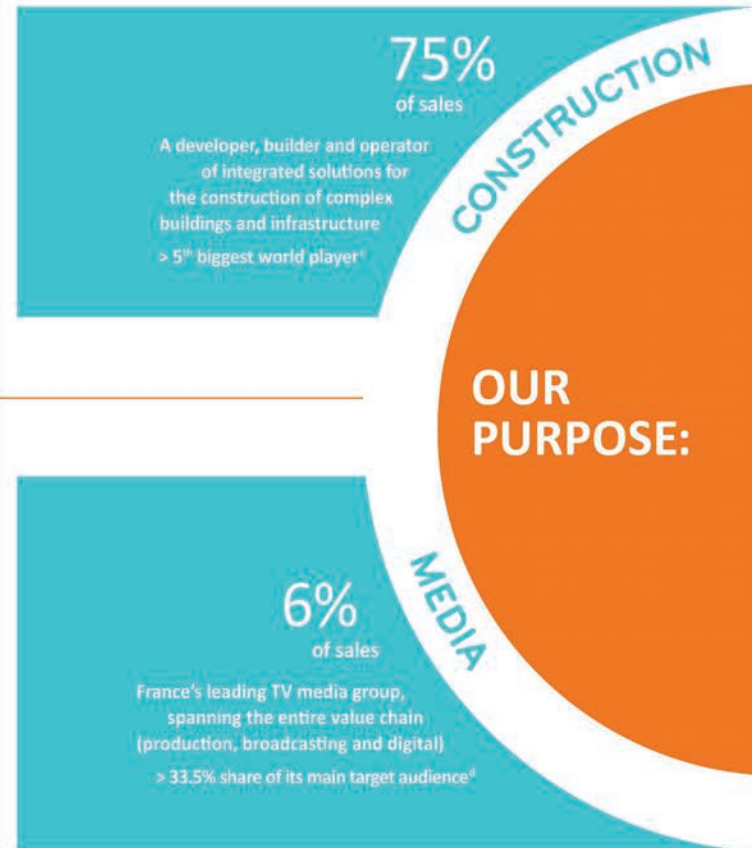
OUR MACROTRENDS



Population growth, urbanisation and transport, urban densification



The climate emergency and extinction of biodiversity



(a) Environmental Management System.
 (b) Colas’ share; also Colas’ share of an additional 1.3 billion tonnes of potential reserves.
 (c) Based on international sales excluding country of origin (ENR Top 250 International Contractors, August 2021).
 (d) Médiamétrie - Target audience: women under 50 who are purchasing decision-makers.



**Digital and
technological
transformation**



**Changing
customer
behaviour**

BUSINESSES

The energy transition is central to the expansion of Bouygues' construction businesses (especially its energies and services entities) because it offers many growth opportunities.

**Make life
better
every day
for as many
people
as possible**

TELECOMS

19%
of sales

A leading provider of mobile and fixed connectivity solutions in France, serving the BtoB and BtoC markets

> 2nd ranked mobile operator for the quality of its network in mainland France, according to Arcep's 2021 survey

HOW WE CREATE VALUE

at 31 December 2021

OUR CUSTOMERS

- €37.6 billion in sales of which 35% eligible with green taxonomy criteria
- €33.2 billion of backlog for the construction businesses
- 70 of the top 100 audience ratings scored by TF1
- 26 million customers for Bouygues Telecom

OUR PEOPLE

- €6,482 million in payroll expenses
- 52,000 employee shareholders
- 22.7% of executive body positions (executive committees, management committees) occupied by women and 18.9% of managerial positions (department head or higher) held by women
- 100% of employees outside France covered by the roll-out of the BYCare employee benefits programme
- 76,087 employees trained
- 83.9% turnout in workplace elections in France
- Group-wide disability awareness campaign to support Bouygues' disability-friendly policy
- Bouygues figures in the Forbes/Statista 2021 list of the "World's best employers"

THE FINANCIAL COMMUNITY

- €738 million in dividends paid out
- 5.7% dividend yield^e
- €2.95 in net profit per share
- €93 million allocated to the share buyback programme in 2021

OUR SUPPLIERS AND SUBCONTRACTORS

- €24,995 million in procurement spend with suppliers and subcontractors
- 61.7% of business-segment spend subject to CSR assessments (targetable expenditure)^f

CIVIL SOCIETY

- €3,061 million paid in taxes and levies
- €127 million distributed to communities
- Over 20 academic partnerships in France and abroad (HEC, Essec, CentraleSupélec, etc.)
- 1,089 grant holders supported by the Francis Bouygues Corporate Foundation since its creation in 2005

(e) Dividend per share relative to the closing price of the previous year. Amount submitted for approval by the Board of Directors at the next Annual General Meeting of 28 April 2022

(f) Targetable expenditure refers to the portion of expenditure that can be subject to CSR initiatives. Expenditure equates to invoiced amounts.

1.1.2 A strategy of innovation for the benefit of users

Through their innovation strategies, the Group and its business segments are preparing themselves for changes in user behaviour, technological developments and the emergence of new, sustainable business models. Bouygues puts innovation to work for the benefit of its customers, its employees and its Climate strategy. Innovation is helping to transform Bouygues’ business model, boost its competitiveness and broaden its appeal.

- **The Group uses innovation to create ground-breaking products and services for its customers** based on new, sustainable business models. In 2021, for instance, Bouygues Construction began work on 20 “Build to Rent” developments. These fully-serviced, ready-to-rent homes are built with urban families and households in mind, providing occupants with a better quality of life at a competitive cost. And in 2021, Bouygues Immobilier launched “Le Majorelle”, a new range of affordable, modular housing units that can be adapted as families grow.
- **Innovation is used to test and create solutions to facilitate the energy transition.** For example, Bouygues Energies & Services and PowiDian are exploring growth opportunities and identifying use cases in the emerging green hydrogen market. For instance, the two partners have joined forces to supply hydrogen-powered generators as a way to decarbonise worksites and provide a reliable, off-grid energy supply at remote locations.
- **Innovation is leveraging the construction businesses, from digitising processes to optimising materials.** Colas has rolled out Grid2BIM, an on-line software that uses deep learning algorithms to convert underground

network plans into 3D-compatible models. As well as unlocking time and cost savings, the system also provides a more accurate estimation of build costs. Projects such as these are sources of competitiveness and business differentiation.

To help it detect and exploit future growth opportunities, Bouygues can call on two technology intelligence units located outside France – Bouygues Asia in Tokyo and Winnovation in the United States – and on its innovation programmes in Israel and elsewhere. Bouygues can also draw on external partnerships. For instance, it participates in forward-looking, innovative initiatives such as “Futura Mobility”, which brings together firms operating along the mobility value chain, and “AI Impact”, a think-and-action tank that investigates the issues posed by artificial intelligence.

Within the Group, ByTech is an in-house IT, digital and innovation community, where employees working in these roles can discuss their projects and share feedback. The Group’s intrapreneurship programme aims to foster the emergence of innovative, value-adding projects by championing the use of entrepreneurial approaches in-house, by boosting cross-disciplinarity between its business segments and by strengthening the dedication of its employees.

The Group holds 480 active patents, including 9 that were filed in 2021. It has been at the initiative of many other innovations that cannot be legally protected.



1.2 BUSINESS ACTIVITY IN 2021

1.2.1 Group key figures and outlook

The 2021 consolidated financial statements are presented with comparatives based on the 2020 financial statements, in which the balance sheet, statement of recognised income and expense, and change in shareholders' equity have been restated for the effects of applying the IFRS IC final decision on IAS 19. The impacts mainly affect non-current provisions and shareholders' equity, and are described in Note 2 to the 2021 consolidated financial statements in Chapter 6. A detailed analysis of business activity in 2021 by business segment can be found in this chapter, starting from section 1.2.2.

The Group returned to its growth momentum in 2021 after being hit hard by the Covid-19 pandemic in 2020.

Exceptionally, Bouygues presents the Group's key figures over three years as FY 2020 was heavily impacted by the Covid-19 pandemic. For easier comparison, changes are therefore expressed relative to FY 2020 and FY 2019.

Key figures

€m (unless otherwise indicated)	2021	2020	Change	2019	Change
Sales	37,589	34,694	8% ^a	37,929	-0.9%
Current operating profit/(loss)	1,693	1,222	471	1,676	17
Current operating margin	4.5%	3.5%	+1.0 pt	4.4%	+0.1 pts
Operating profit/(loss)	1,733 ^b	1,124 ^c	609	1,696 ^d	37
Net profit/(loss) attributable to the Group	1,125	696	429	1,184	-59
Earnings per share (euro) ^e	2.95	1.83	1.12	3.18	-0.23
Net capital expenditure ^f	1,974	1,612	362	1,602	372
Free cash flow ^g	830	725	105	1,038	-208
Net surplus cash (+)/net debt (-)	(941)	(1,981)	1,040	(2,222)	1,281
Gearing ratio (net debt / shareholder's equity)	7%	17%	-10 pts	19%	-12 pts
Net dividend per share (in euro)	1.8 ^h	1.7	0.1	1.7	0.1

(a) Up 7% like-for-like and at constant exchange rates.

(b) Includes net non-current income of €40m in 2021, comprising: (i) non-current charges of €8m at Bouygues Immobilier related mainly to adaptation measures, €10m at Colas related mainly to the ongoing dismantling of the Dunkirk site and to the acquisition of Destia, €10m at TF1 related to the proposed merger between TF1 and M6, and €23m at Bouygues SA related mainly to the proposed merger between TF1 and M6 and the proposed acquisition of Equans from Engie; and (ii) non-current income of €91m at Bouygues Telecom related mainly to capital gains on disposals of data centres.

(c) Includes net non-current charges of €98m in 2020, comprising: (i) non-current charges of €17m at Bouygues Immobilier related mainly to adaptation measures, €69m at Colas related mainly to the reorganisation of the Roads business in France and the ongoing dismantling of the Dunkirk site, and €75m at TF1 related to the impairment of goodwill and of the Unify division brands; and (ii) non-current income of €36m at Bouygues Construction related mainly to compensation received from Alpiq net of fees incurred, and €28m at Bouygues Telecom related mainly to capital gains on disposals of mobile sites.

(d) Includes net non-current income of €20m in 2019, comprising: (i) non-current charges of €28m at Colas related to the ongoing dismantling of the Dunkirk site and to adaptation costs at structures, and €23m at Bouygues Construction related to restructuring costs; and (ii) non-current income of €70m at Bouygues Telecom (of which €63m of capital gains on disposals of mobile sites).

(e) Net profit attributable to the Group from continuing operations per share (in euros).

(f) Excludes €608m for 5G frequencies in 2020 (of which €6m of spectrum clearing costs).

(g) Excludes €608m for 5G frequencies in 2020 (of which €6m of spectrum clearing costs) and excludes Alstom dividends of €341m in 2019.

(h) Proposed by the Board of Directors at the Annual General Meeting on 28 April 2022, for payment on 5 May 2022.

Sales

€37.6bn (+8%)

Sales for the **Bouygues group** were €37.6 billion in 2021, a level comparable to 2019, and thus met the target set for 2021. Sales climbed 8% versus 2020 (up 7% like-for-like and at constant exchange rates).

At €27.9 billion, sales at the **construction businesses** were 7% higher than in 2020 (up 6% like-for-like and at constant exchange rates). The increase was driven by France (up 9% year-on-year) where, in 2020, a strict lockdown was imposed followed by a gradual resumption of activities. International sales rose 4% year-on-year. Sales from the construction businesses were still 6% lower than in 2019 due to a high comparison base.

TF1 posted sales of €2.4 billion, up 17% year-on-year and up 4% versus 2019. They were driven by a sharp increase in advertising revenue (thanks to a high level of demand for advertising slots on television and digital media) and by strong revenue growth delivered by Newen's production activities.

Sales at **Bouygues Telecom** reflected its good commercial momentum and reached €7.3 billion, up 13% versus 2020 (up 5% like-for-like and at constant exchange rates). They were driven by 14% growth in sales from services (up 5% excluding BTBD, in line with the full-year target). They benefited from growth in both the mobile and fixed customer bases, and from a rise in ABPU.

Exceptionally, Bouygues presents the Group's key figures over three years as FY 2020 was heavily impacted by the Covid-19 pandemic. For easier comparison, changes are therefore expressed relative to FY 2020 and FY 2019.

Sales by business segment

€m (unless otherwise indicated)	2021	2020	Change	2019	Change
Group sales	37,589	34,694	8%	37,929	-0.9%
o/w construction businesses	27,922	26,208	7%	29,575	-6%
o/w Bouygues Construction	12,770	12,047	6%	13,355	-4%
o/w Bouygues Immobilier	2,116	2,032	4%	2,706	-22%
o/w Colas	13,226	12,297	8%	13,688	-3%
o/w TF1	2,427	2,082	17%	2,337	4%
o/w Bouygues Telecom	7,256	6,438	13%	6,058	20%
o/w Bouygues SA and other	213	180	nm	202	nm

Intra-Group eliminations came to -€419 million in 2021, versus -€382 million in 2020 and -€471 million in 2019.

Sales by region

€m (unless otherwise indicated)	2021	2020	Change	2019	Change
Group sales	37,589	34,694	8%	37,929	-0.9%
o/w France	22,595	20,402	11%	22,446	1%
o/w Europe (excl. France)	7,254	6,539	11%	6,703	8%
o/w Americas	4,475	4,246	5%	4,546	-2%
o/w Asia-Pacific	2,274	2,517	-10%	3,037	-25%
o/w Africa and Middle East	991	991	0%	1,197	-17%

Current operating profit

€1,693m (+€471m)

The Group posted a current operating profit of €1,693 million in 2021, up €17 million versus 2019; and the current operating margin, at 4.5%, was higher than in 2019. The Group therefore exceeded the targets it had set for 2021, i.e. for current operating profit to be very close to its level of 2019 and for the current operating margin to return to its pre-crisis level.

The **construction businesses** reported current operating profit of €825 million, which represented a very sharp year-on-year improvement (up €388 million). This is still €85 million lower than in 2019. At 3.0%, the current operating margin for the construction businesses showed a very strong improvement on the level of 2020 (1.7%) and almost returned to its level of 2019 (3.1%).

TF1 posted a current operating profit of €343 million in 2021, up €153 million year-on-year and up €88 million compared to 2019. The current operating margin improved substantially as a result to 14.1% (rising by 5 points year-on-year and by 3.2 points versus 2019).

EBITDA after Leases at **Bouygues Telecom** amounted to €1,612 million in 2021, up 7% or by €110 million on 2020 and in line with the full-year target. As expected, the EBITDA after Leases margin (calculated on sales from services) was lower than in 2020 at 28.9% (down 1.8 points) due to the dilutive effect of integrating BTBD and a mix effect related to the ramp-up of FTTH. Lastly, current operating profit at Bouygues Telecom was €572 million, a decline of €51 million due to increased net capex and related depreciation and amortisation.

Exceptionally, Bouygues presents the Group's key figures over three years as FY 2020 was heavily impacted by the Covid-19 pandemic. For easier comparison, changes are therefore expressed relative to FY 2020 and FY 2019.

Current operating profit by business segment

€m (unless otherwise indicated)	2021	2020	Change	2019	Change
Group current operating profit/(loss)	1,693	1,222	471	1,676	17
o/w construction businesses	825	437	388	910	- 85
o/w Bouygues Construction	342	171	171	378	- 36
o/w Bouygues Immobilier	43	12	31	99	- 56
o/w Colas	440	254	186	433	7
o/w TF1	343	190	153	255	88
o/w Bouygues Telecom	572	623	- 51	540	32
o/w Bouygues SA and other	(47)	(28)	- 19	(29)	- 18

Net profit attributable to the Group

€1,125m (+€429m)

Net profit attributable to the Group was €1,125 million in 2021, which is comparable to that of 2019, and includes the contribution from Alstom (€219 million versus €238 million in 2019) and non-current charges

of €31 million related to the following ongoing projects – the proposed acquisition of Equans and the proposed merger between TF1 and M6.

Dividend per share

€1.80

The Bouygues group's Board of Directors will ask the Annual General Meeting of 28 April 2022 to approve a dividend of €1.80 per share, which is

€0.10 higher than in 2020. That represents a dividend yield of 5.7% (divided per share for FY 2021 relative to the closing price of FY 2021).

Net capital expenditure excluding 5G frequencies

€1,974m (+€362m)

Net capital expenditure excluding 5G frequencies was €1,974 million, up €362 million relative to the 2020 figure of €1,612 million. This mainly reflects the increase in investments at Bouygues Telecom, in line with its

“Ambition 2026” strategic plan which aims above all to increase mobile network capacity and ramp up the roll-out of the fixed network to keep pace with a growing customer base and usage.

Exceptionally, Bouygues presents the Group’s key figures over three years as FY 2020 was heavily impacted by the Covid-19 pandemic. For easier comparison, changes are therefore expressed relative to FY 2020 and FY 2019.

Net capital expenditure excluding 5G frequencies by business segment

€m (unless otherwise indicated)	2021	2020	Change	2019	Change
Group net capital expenditure, excluding 5G frequencies	1,974	1,612	362	1,602	372
o/w Bouygues Construction	71	114	- 43	189	- 118
o/w Bouygues Immobilier	6	5	1	11	- 5
o/w Colas	234	184	50	321	- 87
o/w TF1	331	283	48	242	89
o/w Bouygues Telecom	1,331	1,025	306	836	495
o/w Bouygues SA and other	1	1	0	3	- 2

Free cash flow^a

€830m (+€105m)

The Group’s free cash flow generation (see Glossary in this document) was robust at €830 million, up on 2020, in a context where the Group is investing heavily in order to accelerate growth in the coming years. This amount of

free cash flow generation compares with €1,038 million in 2019, excluding the Alstom dividend received of €341 million.

Exceptionally, Bouygues presents the Group’s key figures over three years as FY 2020 was heavily impacted by the Covid-19 pandemic. For easier comparison, changes are therefore expressed relative to FY 2020 and FY 2019.

Free cash flow by business segment

€m (unless otherwise indicated)	2021	2020	Change	2019	Change
Group free cash flow	830	725 ^a	105	1,038 ^b	- 208
o/w Bouygues Construction	212	141	71	204	8
o/w Bouygues Immobilier	36	(18)	54	100	- 64
o/w Colas	358	358	0	371	- 13
o/w TF1	233	69	164	156	77
o/w Bouygues Telecom	86	254	- 168	301	- 215
o/w Bouygues SA and other	(95)	(79)	- 16	(94)	- 1

Net surplus cash (+)/Net debt (-)

€(941)m (+€1,040m)

At 31 December 2021, the Group’s net debt stood at a historical low of €941 million, versus €1,981 million at the end of 2020.

The year-on-year change factors in the following:

- substantial cash generated from operations (cash inflow of €1.2 billion);
- the positive impact of the sales of Alstom shares (cash inflow of approximately €1 billion);

- dividends paid by Bouygues SA and by consolidated companies to non-controlling interests (cash outflow of €0.7 billion); and
- the acquisition of Destia by Colas (cash outflow of €0.2 billion).

(a) Excluding 5G frequencies for €608 million, which includes €6 million of spectrum clearing costs in 2020.

(b) The Group’s free cash flow in 2019 is shown excluding the Alstom dividend received of €341 million.

The latest credit ratings attributed to Bouygues are A3, stable outlook from Moody's, and A-, negative CreditWatch from Standard & Poor's (both dated 10 November 2021).

The Group enjoys excellent liquidity (€20.4 billion at 31 December 2021, comprising €6.2 billion of cash and cash equivalents supplemented by

€14.2 billion of undrawn medium/long-term credit facilities, of which a €6 billion syndicated loan agreed in December 2021 earmarked for the proposed Equans acquisition). It also has an evenly-spread debt maturity schedule.

Outlook

In 2022, the Bouygues group is expecting a further increase in sales and current operating profit versus 2021.

After the endorsement of Colas' greenhouse gas emission reduction targets in 2021, the other business segments are now looking for the SBTi^a to endorse their own decarbonisation targets.

This outlook is based on information known to date. It excludes any further adverse trends related to the Covid-19 situation and does not factor in the proposed acquisition of Equans or the proposed merger between TF1 and M6.

At the date of publication of this Universal Registration Document, Bouygues is not directly affected by the conflict between Russia and Ukraine, since the Group has very little activity in these two countries (in 2021, the Bouygues group generated sales of €123,000 in Russia and of €24,000 in Ukraine). Nonetheless, the Group remains very vigilant regarding this changing situation and its consequences for the world economy and financial markets.

(a) Science Based Target initiative.

1.2.2 Construction businesses

1.2.2.1 Profile

Bouygues is the fifth^a largest construction group in the world. As a developer, builder and operator, it is active in building and civil works, energy and services, property development and transport infrastructure. Population growth, urbanisation and new environmental imperatives are generating significant needs worldwide in terms of complex buildings and infrastructure (new build and renovation). In line with the advent of digital technologies, consumer expectations and habits are also changing. The Group's full-service solutions, innovative and high value-added services, and broad geographical reach make Bouygues a key partner for its customers.

Five strategic priorities

Lead the market for the construction and renovation of buildings and infrastructure

Bouygues builds, optimises and maintains a wide range of buildings and infrastructure (transport, decarbonised energy production, telecommunications). Furthermore, to cope with ageing infrastructure and keep pace with increasing demand for energy efficiency, the Group develops expertise in renovating assets, even whilst they remain in operation. As of end-2021, the Group's construction businesses operate in over 80 countries worldwide, with international business accounting for over half of their sales.

Support our customers to reduce their own carbon footprints

The energy transition is central to the expansion of Bouygues' construction businesses (especially its Energies & Services entities) because it offers many growth opportunities. They offer a complete range of distinctive and high value-added products and services to help their customers respond to the climate emergency.

They have solutions for:

- the production, storage and distribution of decarbonised energy (solar, nuclear, hydrogen, etc.);
- the energy efficiency of buildings, neighbourhoods and entire towns and cities (positive-energy buildings, zero-carbon neighbourhoods, etc.), whether for new build or renovation projects;
- the development of low-carbon mobility (electric mobility, rail infrastructure etc.); and
- the extension of the life of and the intensification of the use of buildings and infrastructure (shared living spaces and offices, reversible buildings, infrastructure maintenance etc.).

Lead the market for urban design and development

In consultation with customers, residents and local partners, the construction businesses develop projects that promote well-being,

harmonious living and environmental protection. The Group offers a range of customised and innovative solutions catering for the individual housing unit to an entire town or city (adaptable housing, connected buildings, eco-neighbourhoods, the smart city, smart mobility, modular construction, etc.).

Transform our construction methods

Bouygues' construction businesses are decarbonising their business models in order to achieve their greenhouse gas emissions reduction targets. They are completely transforming their processes along their entire value chain. They are rolling out responsible purchasing policies and circular economy strategies in order to secure their supplies whilst protecting the environment at the same time. They are also ramping up the use of new bio-based materials such as timber and low-carbon concrete. Training programmes have been introduced widely to increase employee buy-in for this process and to help them keep pace with changes in their professions.

Become a major player in the multi-technical services sector

The Bouygues group is aiming to accelerate its growth in the fast-growing multi-technical services sector. In November 2021, it announced it had signed a purchase agreement with Engie allowing it to acquire Equans. Such an acquisition would place the Group in a strong position to meet customer demand stemming from three major trends:

- the energy transition, to deliver the decarbonisation that industry needs;
- the digital transition, driven by the explosion in data and increased needs for connectivity, and
- the industrial transition, as production facilities become increasingly automated and computerised.

The transaction^b paves the way for the emergence of a new global leader with strong roots in France, delivering optimum customer services via a highly complementary geographical and technical profile with the Group's existing Energies & Services arm as well as enhanced innovation capacity.

Operational priorities

- Complete the acquisition of Equans and then create a sixth business segment around multi-technical services
- Identify new growth areas at Bouygues Construction in its building and civil works activities
- Pursue growth momentum at Colas by expanding its international network via external growth and by making optimum use of its industrial assets
- Turn sales and profitability around at Bouygues Immobilier

(a) Based on international sales excluding country of origin (ENR Top 250 International Contractors, August 2021).

(b) Subject to obtaining the necessary administrative authorisations under competition and foreign investment law.

1.2.2.2 Key figures for the construction businesses

€m (unless otherwise indicated)	2021	2020	Change
Sales	27,922	26,208	7%
o/w France	13,238	12,123	9%
o/w Europe (excl. France)	7,026	6,400	10%
o/w Americas	4,421	4,202	5%
o/w Asia - Pacific	2,265	2,504	-10%
o/w Africa and Middle East	972	979	-1%
Current operating profit/(loss)	825	437	388
Current operating margin	3.0%	1.7%	+1.3 pts
Net cash	3,346	2,830	516
Backlog	33,224	33,120	0%
o/w France (Bouygues Construction and Colas)	35%	38%	-3.0 pts
o/w International (Bouygues Construction and Colas)	65%	62%	+3.0 pts

1.2.2.3 Bouygues Construction, a leader in sustainable construction

Bouygues Construction is a world leader in construction and services. It operates in building, infrastructure and industrial projects with the aim of spanning the entire construction industry value chain.

Business figures

	2021	2020
Backlog (€bn)	20.8	22.0
For execution in less than 1 year	9.7	9.7
For execution in 2 to 5 years	9.0	9.6
For execution in over 5 years	2.1	2.7
Backlog by region (% of total)		
o/w France	39%	39%
o/w Europe (excl. France)	37%	34%
o/w Asia-Pacific	13%	18%
o/w Americas	9%	7%
o/w Africa and Middle East	2%	2%

Highlights

ACQUISITIONS - PROJECTS

- Bouygues signed a purchase agreement allowing it to acquire Equans

MAJOR CONTRACT GAINS

- Campus Engie in Garenne-Colombes (France)
- Essex university (UK)
- The new St. Paul's hospital in Vancouver (Canada)
- Cloud HQ datacentre in Frankfurt (Germany)
- "Ebury Bridge" residential complex in London (UK)
- Petit Saconnex property development in Geneva (Switzerland)

PROJECTS UNDER CONSTRUCTION

- Section C1 of the High Speed 2 (HS2) rail link (UK)
- "Grand Paris" rapid transport link, Line 15, packages T2A and T3A (France)
- Melbourne metro and WestConnex tunnel in Sydney (Australia)

- Trunk Road T2 and Central Kowloon Route transport links (Hong Kong)
- Hinkley Point C EPR power plant (UK)
- Roll-out of optical fibre in Brittany with Megalis/Axione (France)
- Issy Cœur de Ville eco-neighbourhood in Issy-les-Moulineaux (France)
- Biology-Pharmacy-Chemistry cluster for Paris Saclay University (France)

PROJECTS HANDED OVER

- Five projects handed over in Ashgabat (Turkmenistan)
- Monaco offshore extension project
- Port of Calais extension (France)
- The Poste du Louvre building in Paris (France)

GOVERNANCE

- In August 2021, Pascal Minault succeeded Philippe Bonnavé as Chairman and CEO.

Key financial figures

€m (unless otherwise indicated)	2021	2020	Change
Sales	12,770	12,047	6%
o/w Building & Civil Works	8,899	8,495	5%
o/w Bouygues Energies & Services	3,871	3,552	9%
Current operating profit/(loss)	342	171	171
o/w Building & Civil Works	233	136	97
o/w Bouygues Energies & Services	109	35	74
<i>Current operating margin</i>	<i>2.7%</i>	<i>1.4%</i>	<i>+1.3 pts</i>
o/w Building & Civil Works	2.6%	1.6%	+1.0 pt
o/w Bouygues Energies & Services	2.8%	1.0%	+1.8 pts
Net profit/(loss) attributable to the Group	274	152	122

Profile

With nearly 53,000 dedicated and responsible employees in almost 60 countries, Bouygues Construction designs, builds and operates building, civil works and energies and services projects. Bouygues Construction is acknowledged as a benchmark player in sustainable construction through the construction of many eco-neighbourhoods, low-carbon (timber-frame) buildings and structures certified against the best world eco-standards, as well as through the rehabilitation of sites in order to reach positive-energy status^a. It also develops circular economy business models, from the design phase of projects to the recycling of their waste.

Bouygues Construction is increasingly involved in high value-added large-scale structures and in more encompassing projects ranging from neighbourhoods to connected cities.

Growth strategy and opportunities

Bouygues Construction's strategy is based around four priorities:

- **be a global player in places where it has a long-term presence**, such as Australia, Canada, France, the UK, Hong Kong and Switzerland, by drawing on its innovative products and services; and **develop exceptional projects** with local partners;
- **in its Building activity, be a leader in renovation and rehabilitation** whilst **boosting its property development** activities via its Linkcity network;
- **in its Civil works activity, continue to be a top-notch player in the major infrastructure market** (bridges, tunnels, nuclear power plants, off-shore wind power, concessions and PPP projects) in France and worldwide, and expand its activities in the growing market for infrastructure repair work;
- **develop its Energy and Services** activities to become a major player in the multi-technical services sector. The purchase agreement signed by the Bouygues group on 6 November 2021 with Engie is fully in line with this priority.

In these activities, Bouygues Construction is investing to increase productivity and improve its performance in the construction process. It is also boosting its actions in the fields of innovation and renewable energies, and is rolling out its Carbon strategy.

Bouygues Construction:

- **gives top priority to the health and safety** of its employees and of its partners in all projects undertaken;
- **makes shared innovation its primary source of added value** and proposes full-service offerings which meet customers' needs, capitalising on its knowledge of markets in key sectors such as rehabilitation, healthcare and hotels;
- **pursues customer satisfaction over the long term**, in particular by ensuring tight control over execution, high-quality products and services and after-sales support;
- **digitises its building methods** in order to improve productivity, and
- **uses digital technology as a strategic avenue of growth**, via the design of new products and services and the use of digital solutions within its own business activities.

(a) A building which, in operation, produces more energy than it consumes.

Climate strategy and biodiversity

Bouygues Construction aims to:

- **make the transition to a low-carbon economy a major growth driver** and generate business growth opportunities by offering its customers distinctive high value-added products and services to minimise the carbon impact across the entire value chain;
- **be a pioneer in the integration of solutions** for the production, storage and distribution of decarbonised energy (solar, nuclear hydrogen, etc.), and for the energy efficiency of buildings, neighbourhoods, towns and cities (positive-energy buildings, "zero-carbon" neighbourhood, etc.), and to support the development of low-carbon mobility (electric mobility, rail infrastructure, etc.), and
- **reduce the direct and indirect emissions** related to its activities.

Bouygues Construction's targets are to:

- **reduce the intensity of its direct and indirect emissions by at least 30% by 2030 (scopes 1, 2 and 3a) versus 2019** (equating to 40% for scopes 1 and 2 and 30% for scope 3a), and
- **offer solutions to its customers** that allow them to address the challenges of ecological transition.

Its plan of action to create a low-carbon culture aims to:

- **reduce the carbon intensity of its operations** by focusing on design, building methods (timber construction, etc.), purchasing, particularly on priority packages such as concrete, steel, façades and external joinery, and on the energy consumption of sites and worksites;
- **boost and promote its expertise, skills and flagship projects** in the domain of solutions for a low-carbon world;
- **foster a low-carbon mindset for all** by providing training to all employees (clerical, technical and supervisory employees, and managers) about carbon issues, by encouraging them to reduce their travel-related emissions and engaging dialogue with customers and partners about projects, and
- **champion biodiversity** in its infrastructure and building projects by developing innovative solutions that protect existing on-site wildlife and eco-systems and also by reintroducing nature into urban environments.

Strengths and assets

An innovative, responsible and proactive player, Bouygues Construction has many strengths to draw on in all its activities:

- **know-how** through the talent of employees in almost 60 countries who share the same customer-focused values;
- **a positioning that spans the entire value chain of the construction sector in the digital era;**
- **a strong international presence:** Bouygues Construction and its subsidiaries operate worldwide and boast a wide variety of expertise and innovations. They have long-established operations in certain countries but also work on a one-off basis in other places on projects requiring high-level technical expertise. These two approaches are complementary and give the company the necessary flexibility to deploy its resources quickly on strong-potential markets. Bouygues Construction generates over half its sales on international markets;

- **distinctive, high value-added products and services** based on long experience of managing complex projects, specific knowledge of sustainable construction and constant innovation in all its forms;
- **the ability to adapt to changing markets:** the level of the backlog provides good medium-term visibility, enabling costs to be adjusted while focusing commercial investment on the most dynamic markets, and
- **a substantial cash surplus.**

Market position

Given the organisational structure of its direct competitors, it is difficult to make like-for-like comparisons between them and Bouygues Construction.

- **In the world:** the Bouygues group's construction arm, represented by its three business segments Bouygues Construction, Bouygues Immobilier

and Colas, **is placed fifth** in the ENR^a ranking of international contractors, **based solely on its share of sales generated in international markets**, which is the same position as in the survey of 2020

- **In Europe:** based on the 2020 ranking published by trade magazine *Le Moniteur* in December 2021, the Bouygues group's construction arm (Bouygues Construction, Bouygues Immobilier, Colas) is the **third largest in Europe** after Vinci and Spanish firm ACS but ahead of Hochtief (Germany) and Eiffage (France).
- **In France:** according to this same ranking^b, Bouygues Construction (its building and civil works activities alone) is **one of the top three contractors** behind Vinci Construction and ahead of Eiffage (its construction activities, excluding property development and infrastructures).

Business activity in 2021

Order intake underpinned by core business projects

In 2021, order intake came to €11.1 billion, a drop of 13% on 2020, due to a decline in the number of major projects. The volume of contracts worth less than €100 million grew by €0.4 billion.

In **France**, order intake amounted to €4.9 billion, up 3% on 2020. This includes the Engie eco-campus at Garenne-Colombes and phase 2 of the Megalis project to roll out fibre in Brittany.

On **international** markets, order intake amounted to €6.2 billion, down 22% on 2020, which benefited from the signing of several major contracts, including the High Speed 2 rail link in the UK for €1.1 billion.

Backlog remains healthy

The backlog at end-2021 stood at a high €20.8 billion (down 6% on end-December 2020 and down 6% like-for-like and at constant exchange rates), with international markets accounting for 61%. Europe was the largest international market, ahead of the Asia-Pacific region. At end-2021, orders to be executed in 2022 amounted to €9.7 billion.

Sales driven by international markets

Sales were €12.8 billion in 2021, up 6% versus 2020 (up 5% like-for-like and at constant exchange rates). Note that the first half of 2020 was hit hard by the effects of the Covid-19 pandemic, which led to the total or partial shutdown of worksites for several weeks, especially in France. Business returned to normal in the second half.

Building and civil works accounted for 70% of sales, and energies and services 30%.

Sales in France reached €5.4 billion, up 11% on 2020. This represents 42% of total sales.

Sales on international markets reached €7.4 billion, up 2% on 2020.

Improved operating performances

Current operating profit rose to €342 million, an impressive increase of €171 million compared to 2020. The current operating margin was 2.7%, a level close to the 2.8% posted in 2019.

- Energies & Services showed a significant margin recovery, rising to 2.8% from 2.1% in 2019 on the back of the first positive effects of the operational transformation plan implemented at end-2018.

- In Building and Civil Works, the current operating margin was 2.6%, up 1 point on 2020 but down half a point on 2019.

Net profit attributable to the Group came to €274 million, up from €152 million in 2020.

Highest ever net cash surplus

The net cash surplus at end-2021 stood at an all-time high of €3.5 billion, up by around €0.4 billion on what was already a good 2020 despite Covid.

Developments in Bouygues Construction's markets and activities

BUILDING AND CIVIL WORKS

Sales in Building and Civil Works came to €8.9 billion, 5% more than in 2020. International sales were stable on 2020 and accounted for 55% of the total.

France, 2021 sales: € 4 billion (+11%)

Since the outset of the Covid crisis, the building activities have benefited from government aid initiatives and stimulus plans that primarily targeted sustainable investment in the housing sector and in energy renovation. In the Paris region in particular, urban renovation projects and eco-neighbourhoods open up interesting opportunities (positive-energy buildings, zero-carbon neighbourhoods). However, competition on the sector is fierce. In the non-residential segment, commercial and industrial projects were hit by a number of delays.

In France, the civil works market recovered quickly, with sales back to normal from the end of summer 2020 and the backlog being driven by the Grand Paris infrastructure programme. Although the level of major project investment remained stable in the Paris region, the level of investment outside this region remains uncertain.

The 9% growth in the building segment is partly due to the restart of activity following the Covid-related fall in 2020. Care is still taken to only take on the most commercially viable projects.

The building segment in the Paris region in 2021 was marked by the orders taken for the eco-campus in Garenne-Colombes that will host the headquarters of Engie, Scor's offices in Gentilly and the Îlot A2 complex of

(a) ENR Top 250 International Contractors survey (August 2021).

(b) 2020 ranking published by *Le Moniteur* magazine in December 2021.

the Olympic Village in Saint-Denis. Several operations are currently underway. They include the construction and redevelopment of the Triangle Eole Evangile district as part of the “flot Fertile” project, the public-private partnership created for the Biology-Pharmacy-Chemistry (BPC) cluster in Saclay and the construction of a maintenance centre for metro Line 18 in Aulnay-sous-Bois, as part of the Grand Paris Express rapid transport link. Outside the Paris region, work continues on the Co'Met entertainment complex in Orleans.

The civil works activity held up well in the Paris region, sustained by Grand Paris infrastructure projects such as packages T2A and T3A for metro Line 15 and the RER Eole East-West Express Rail Link from Saint-Lazare station to the La Défense business district.

Large-scale infrastructure projects are also still in progress outside the Paris region, such as the extension to Port-la-Nouvelle harbour and the off-shore wind farm at Fécamp.

Europe, 2021 sales: €2.3 billion (+19%)

In **Western Europe**, stimulus plans are boosting the construction market: civil works are gaining momentum in the UK and Switzerland, driven by the transport sector (road and rail) and by major government-led infrastructure projects, both in construction and renovation.

Central and Eastern Europe are mature but promising markets with high economic potential in the construction sector. Demand for housing and infrastructure in the region is still growing.

In the **UK**, Bouygues Construction is involved in several urban regeneration projects, such as the Canning Town and Luton Street projects in London and Riverside in Canterbury. The company continued to work on high value-added educational and research projects (such as Cardiff University's Innovation Campus and a student halls of residence for the University of Essex). It is still working on the construction of the Hinkley Point C nuclear power plant. May 2021 saw a landmark with the lifting - using the world's largest crane - of the second of the three steel rings that will form the liner of the unit 1 reactor. The plant will eventually cover 7% of the UK's electricity needs and supply power to over five million homes. Bouygues Construction continued with the construction of section C1 of the HS2 high-speed rail link that will connect London to Birmingham and Manchester.

In **Switzerland**, it is using its expertise in complex property developments to increasingly scale up to the level of an entire neighbourhood. Losinger Marazzi won the contract for the mixed-use Petit-Saconnex project in 2021.

In **Central Europe**, the building activity is covered by local subsidiaries in Poland, the Czech Republic and by a property-development strategy.

In **Monaco**, Bouygues Construction's local subsidiary Richelmi is managing the construction of the Grand IDA mixed housing development and of Villa Lucia.

In **Croatia**, work continues on the dualling of a section of the Istrian motorway, in addition to the design/build of the second tube of the Učka tunnel.

Asia-Pacific region 2021 sales: €1.8 billion (-12%)

Asia enjoyed dynamic growth driven by the strong demand for private housing as the economy recovered, low interest rates for property loans and the urbanisation of emerging countries. Hong Kong, Singapore and the Philippines continue to exhibit strong potential thanks to a high level of demand. In **Asia-Pacific**, Bouygues Construction has developed its expertise

through its building and civil works subsidiaries, giving it long-standing local operations, especially in Australia, Hong Kong, Singapore and Thailand.

In **Australia**, the construction market has been slow in the residential sector, while the health sector remains buoyant on the back of public investment. Government spending on the infrastructure construction market is likely to remain strong, especially on roads and telecommunications. Bouygues Construction is continuing to work on the WestConnex tunnel in Sydney and on the Melbourne metro contract. Thanks to its subsidiary AW Edwards, Bouygues Construction is now firmly established in the Australian construction sector, particularly in data centres and hospitals, but also in the major Crows Nest metro station project in Sydney.

Several major underground projects are underway in **Hong Kong**, including the Central Kowloon Route and the T2 Trunk Road undersea tunnel. The latter forms part the government's project to build the Route 6 road link, which aims to relieve traffic congestion in central Kowloon.

Bouygues Construction is a recognised player in the building segment in **Singapore** and **Thailand**, especially for high-rise residential buildings such as the Project Glory complex in Singapore and the Summit Tower in Bangkok.

In the **Philippines**, Bouygues Travaux Publics and VSL are continuing to build a bridge as part of the North-South Commuter Railway (NSCR) urban rail network.

Africa-Middle East, 2021 sales: €0.4 billion (-12%)

High levels of economic growth are expected in **Africa**, linked in particular to rapid urbanisation, though the geopolitical context remains fragile. The **Africa-Middle East** region posted rapid growth. The Gulf countries have been hit by the drop in oil prices in recent years, but heavy investment in other sectors are paving the way for a “post-oil” economy: transport and leisure infrastructure will be the main growth drivers in this high-potential region. Bouygues Construction takes a selective approach to projects in this part of the world.

In **Egypt**, after taking part in the construction of Lines 1 and 2 of the Cairo metro, Bouygues Construction is building the new phase of Line 3.

Bouygues Construction also has long-standing building operations in **Morocco**, where it excels in upmarket building projects and leverages its Linkcity network to carry out property developments such as the BO52 programme in Casablanca. The company is also present in the education sector with the construction of Benguerir university.

The company's expertise in earthworks for opencast mining is illustrated in its operation of gold mines at Kibali in the **Democratic Republic of Congo**, Tongon in **Ivory Coast** and Goukoto in **Mali**. Bouygues Construction is also involved on a one-off basis in roadbuilding projects in other African countries. It is also present in **Benin** and **Ivory Coast**, with two contracts underway to build the Abomey Calavi and Yopougon hospitals.

Americas – Caribbean, 2021 sales: €0.3 billion (-15%)

There are opportunities in the Americas, especially in **Canada** and the **United States**, as a result of the public authorities' stated intention of rebuilding infrastructure. Bouygues Construction is building the Pawtucket water management tunnel in the US while the year-end was also marked by the award of a contract to build the Palmer Lake Logistics centre in Miami.

The demand for tourist complexes in the Caribbean is another area of interest for Bouygues Construction, despite the heavy blow that Covid-19 has dealt the tourism industry.

ENERGIES AND SERVICES

The Energies & Services arm - comprised of the subsidiaries Bouygues Energies & Services, Bouygues Energies & Services InTec, and Kraftanlagen - operates in digital networks, electrical and HVAC engineering, facilities management and services to industry.

As a general rule, both in France and abroad, improving the energy efficiency of buildings is becoming essential due to the increasing demands of industry (Building Management Systems, smart buildings, smart cities, energy consulting, etc.), environmental challenges, demographic growth and the growing scarcity of raw materials. Telecommunications needs are also driving the growth of network infrastructure.

These large-scale market trends combined with ambitious governmental targets to increase the share of renewables in energy production open up new growth prospects in both mature economies (Germany, Canada, France, the UK, Switzerland) and emerging countries, particularly in Asia.

The Energies & Services arm contributed €3.9 billion to the consolidated sales of Bouygues Construction in 2020, an increase of €319 million on 2020.

France, 2021 sales: €1.4 billion (+13%)

The French government's stimulus plan and the energy transition law, that aims for renewables to generate 32% of all energy production by 2030, create a bright outlook for green energy, building energy-efficiency and digitisation. Growth at Bouygues Energies & Services is coming from involvement with local authorities' digital development policies. These projects are undertaken in partnership with Axione. Numerous large-scale contracts are underway in Brittany and in northern France. In December 2021, Bouygues Construction began a new phase of FTTH (Fibre-To-The-Home) roll-out with the Megalis project to accelerate coverage in Brittany.

Bouygues Energies & Services is involved in numerous construction and renovation projects in the building sector, offering expertise in electrical, mechanical and HVAC engineering. Examples are the installation of the HVAC systems in "Store 3" of La Samaritaine in central Paris, handed over in 2021, and more recently in the future headquarters of the European Space Agency in Paris as well. It is also renowned for its expertise in the design and installation of solar farms. Landmark projects include the farms at Piolenc and Saint-Maurice-la-Clouère, both in south-east France.

International, 2021 sales: €2.5 billion (+7%)

The Bouygues Energies & Services InTec and Kraftanlagen subsidiaries possess recognised expertise in energy systems and industrial engineering and also offer solutions for power plants. They have already put down solid roots in Europe, notably in **Switzerland** and **Italy** for Bouygues Energies & Services InTec and in **Germany** and **Romania** for Kraftanlagen.

In the field of power grid infrastructure projects, Bouygues Energies & Services develops turnkey photovoltaic solutions. In Japan, for example, it is building a solar farm in Tochigi prefecture.

Bouygues Energies & Services is developing its facilities management activity, notably in the **United Kingdom** with the Southmead hospital in Bristol. In 2021, Bouygues was chosen by the operator Virtus to design and build its new London 8 data centre. This is the seventh contract Virtus has awarded the Group for construction, mechanical and electrical works for its data centres, with orders totalling around €800 million since 2012.

In **Canada**, the company provides facilities management services for Surrey Hospital and the Royal National Mounted Police headquarters. Facilities management gives Bouygues Energies & Services a long-term revenue stream. Bouygues also operates on the electrical engineering market through its subsidiary Plan Group, which completed the first "smart hospital" in the country, the Mackenzie de Vaughan hospital, in the Toronto metropolitan region. In 2021, Bouygues Energies & Services also won a €190 million contract for the St Paul hospital in Vancouver.

1.2.2.4 Bouygues Immobilier, life begins here

Bouygues Immobilier designs living spaces that reflect the needs of users at all levels, whether they be people living in its property developments, in neighbourhoods or across whole cities. Bouygues Immobilier listens to its customers and develops with them places where it is pleasant to live. It helps local authorities provide green spaces, build low-carbon projects and reintroduce nature into urban environments. It conducts its business in a more sustainable and people-centric manner. It creates quality spaces where people can live, work and connect with each other. Places made for living.

Business figures

	2021	2020
Reservations (in millions of euros)	2,085	1,837
o/w residential property	1,849	1,589
o/w commercial property	236	248
Residential property (in number of reservations)	9,510	8,547
o/w block	2,911	3,367
o/w unit	6,599	5,180

Highlights

RESIDENTIAL PROPERTY

- Marketing of Kipolis starts - a project to transform a former factory into a sustainable neighbourhood with 518 mixed housing units in Tours (France)

URBAN PLANNING

- The Etoile eco-neighbourhood: signing of a framework agreement between UrbanEra and Legendre Energie to provide 10,000 m² of photovoltaic solar panels at Annemasse (France)
- Seine Parisii: completion of deconstruction and site decontamination, start of the building of a new road, construction of the marina and regeneration of the neighbourhood, at Corneilles-en-Parisis (France)

COMMERCIAL PROPERTY

- Handover to Nexans' of its new R&D centre (6,000 m²)
- Building permit application for Vivaldi, a project for the sustainable redevelopment of the central part of Seguin Island, in Boulogne Billancourt (France)

- Handover of the Sways office building, the first *Bureau Généreux* (generous office) by Bouygues Immobilier, at Issy-les-Moulineaux (France)

OPERATION AND SERVICES

- Renewal of the coliving offer with plans to build a new site in Bordeaux (France)
- Handover of five Les Jardins d'Arcadie residential complexes (France)

INTERNATIONAL

- Growth of the business in the Gdansk area with the Zeromskiego 7 project that comprises 77 housing units (Poland)

GOVERNANCE

- Bernard Mounier succeeded Pascal Minault as Chairman of Bouygues Immobilier in February 2021

Key financial figures

€m (unless otherwise indicated)	2021	2020	Change
Sales	2,116	2,032	4%
o/w residential property	1,873	1,762	6%
o/w commercial property	243	270	-10%
Current operating profit/(loss)	43	12	31
<i>Current operating margin</i>	<i>2.0%</i>	<i>0.6%</i>	<i>+1.4 pts</i>
Net profit/(loss) attributable to the Group	7	(29)	36

Profile

An urban developer and coordinator, as well as a key player on the French market for over 60 years, Bouygues Immobilier is present throughout the entire property value chain, from development to urban planning and property management.

Its workforce of over 1,600 aim to provide a new approach to property development that is more people-centric, smart and sustainable.

Growth strategy

In 2021, Bouygues Immobilier launched a new corporate strategy backed by a new brand identity called “Bouygues Immobilier, life begins here”. This new positioning illustrates Bouygues Immobilier’s desire to:

- gain a better understanding of users by offering practical daily innovations that make urban living more agreeable;
- integrate green spaces into urban environments in a way that has a positive collective impact;
- build its property developments differently, and
- integrate a low-carbon approach to building design and into the daily lives of residents to encourage environmentally-friendly behaviour.

A NEW STRATEGY WITH SEVEN PILLARS

- **Customer experience. Deliver on promises, respect commitments and ensure a positive user experience to become the property developer that people trust.** Strengthen and consolidate the fundamentals, improve product design to give users what they want and revitalise customer relations.
- **Employee experience. Put people at the heart of Bouygues Immobilier.** Be a company where people are happy to work, where roles and responsibilities are clearly defined, and that offers high-quality training and promotes diversity at all levels. Rejuvenate “the Development Academy” and improve appeal to potential recruits, develop expertise and build property developer loyalty. Roll out the 2021-2023 Gender Balance plan (“À Part Égale”), which aims for women and high-flyers to occupy respectively 37% and 30% of managerial positions.
- **Product excellence. Create benchmark products that are proof of the brand’s ambition** Create value by offering products that are better designed, because they take the needs of the end-user into account, and that are more energy-efficient, environmentally responsible and aesthetic. The use of BIM^a technology also favours the inclusion of these differentiating qualities into the product offer.
- **Ambitious CSR goals and positive impact. Set ambitious CSR goals at all levels of the company and in all operations** Achieve a 32% cut in greenhouse gas emissions by 2030 by decarbonising the product line and reducing users’ carbon footprint. Commit to integrating nature into the user experience, thus encouraging biodiversity, in 100% of developments by 2022.

- **BIM. Accelerate the transition towards a fully digital company by 2024, particularly in the area of engineering.** In 2024, 100% of projects will be designed using BIM. The aim is to better coordinate in-house expertise with the needs of stakeholders and to guarantee the quality of standard structures.
- **New products and services. Anticipate trends and create new business models, products and services.** By replacing its Innovation department with a Design department, Bouygues Immobilier is now applying a more design-centred approach to the creation and upgrading of its products and services that will favour the emergence of solutions that are in step with the wants and needs of users.
- **Renovation and rehabilitation. Reduce urban sprawl by reinventing towns.** Several initiatives have been launched, such as Géophoros in 2021, which is an investment vehicle dedicated to the conversion of unused or derelict sites (wasteland, industrial premises, polluted terrain, etc.), as well as the development of sites with strong intrinsic value to enhance them and make them better adapted to modern urban life.

Climate and biodiversity strategy

AIMS

After over ten years spent focusing on energy efficiency, Bouygues Immobilier is passing a new milestone by **reassessing all its property products and services from the angle of Carbon performance and the ability to adjust to climate change.**

TARGETS

Drafted in accordance with the recommendations of France’s National Low-Carbon Strategy (SNBC 2020) and in compliance with the Paris Agreement, Bouygues Immobilier is aiming for a **32% reduction in its greenhouse gas emissions by 2030 versus 2020 on scopes 1, 2, 3a and 3b.**

The property sector simultaneously makes a significant contribution to greenhouse gas emissions and is highly exposed to the consequences of climate change. From 1 January 2022, it is therefore subject to new environmental regulations (RE2020) that will comprise carbon performance and energy efficiency targets, thus superseding the previous RT2012 thermal regulation .

ACTION PLAN

To keep pace with these changes and support its customers in an ever more tightly regulated world, Bouygues Immobilier has implemented CSR and ‘positive impact’ strategies that mobilise the entire company around one ambition: to reduce CO₂/m² of floor area from 1.5 tonnes to less than one tonne over 50 years of operation for all projects from 2030.

(a) Building Information Modelling (BIM) - digital modelling and management of the data involved in order to design, build and operate buildings more quickly and efficiently. Using augmented and virtual reality functions, BIM helps to anticipate the requirements inherent in new buildings. Its logistics features make it easier to start up a worksite and operate it throughout the construction process, in compliance with a sustainable construction approach. BIM has already proven itself in several depollution and deconstruction projects.

The decarbonisation of the Bouygues Immobilier product range will entail:

- **preserving existing spaces by increasing low carbon rehabilitation and renovation** (the Géophoros fund, renovation of heritage buildings, selective deconstruction with reuse of materials, reconversion);
- **low-carbon construction.** Going beyond what is required by existing regulations by limiting land take and promoting low-carbon building methods and local materials, particularly bio-based materials and low-carbon concrete;
- **reducing user carbon footprints** by favouring virtuous behaviour in terms of mobility, energy consumption, eating habits and waste management;
- **offering resilient, comfortable and healthy products and services that improve quality of life and well-being** (bioclimatic design, natural cooling, improved ground permeability, etc.), and
- **restoring carbon sinks and reducing land take** (developing the use of carbon-absorbing building techniques at Bouygues Immobilier and/or along its value chain).

In 2021, Bouygues Immobilier also reaffirmed its commitment to actively reducing its impact on biodiversity to the benefit of its customers by preserving greenery and reintroducing nature into urban areas.

It has introduced a “Biodiversity calculator” that, from 2022, will help teams maximise the amount of surface area favourable to biodiversity in all of its property development programmes. Projects that contain more nature post-development than in their initial state are considered to be “biodiversity-positive”. Bouygues Immobilier is aiming for 25% of the surface area of its developments to be biodiversity-positive by 2025.

Among the other objectives are the integration of landscaped spaces favourable to biodiversity in 100% of projects by end-2023. This initiative has led the French authorities to place Bouygues Immobilier among the top 12 French companies committed to the Act4Nature corporate alliance. At end-2021, Bouygues Immobilier already had 20 projects that had obtained or were seeking the BiodiverCity label.

Strengths and assets

Bouygues Immobilier took steps to safeguard its activity and is now well placed to pursue future growth:

- **extensive geographic coverage** (31 branches and four subsidiaries in France), which gives it a strong local presence and keeps it responsive to demand from local authorities and customers;

Business activity in 2021

Developments in Bouygues Immobilier’s markets and activities

RESIDENTIAL PROPERTY

Rebound in new housing units for sale and in reservations

In a climate marked by a sharp rebound in economic activity, reservations on France’s new housing market reached 116,714 in 2021, up 15% compared to 2020 (source: ECLN). The number of building permits granted increased 19% compared to 2020 (source Sit@del), leading in turn to a 21% rise in the number of new homes for sale in almost all regions of France, both in terms of single-unit and multi-unit housing (source: ECLN). Finally, the cost of individual homes rose by 13% year-on-year. For apartments, the increase was 5% per m² (source: ECLN).

Furthermore, market fundamentals remain positive:

(a) Sommet de l’immobilier, Aménagement des territoires & Innovation.

- a **well-known name** and acknowledged expertise, from single buildings to entire neighbourhoods with UrbanEra;
- a **genuine capacity for innovation** with a new range of products and services that is ready for launch and visible. These include the “*Bureau Généreux*” (the generous office) programme, aimed at making office spaces attractive once more to keep pace with shifting societal trends and new ways of working;
- a **CSR strategy that is dynamic, ambitious and well-structured**, that meets both the environmental and societal challenges of urban planning, with a strong commitment to preserving biodiversity and fighting climate change;
- a **healthy financial structure** and a robust business model that gives priority to risk management, and
- a **reputation for skilled and motivated people capable** of carrying out ambitious projects: a series of measures have already been adopted to simplify and empower aimed at dealing with certain operational difficulties, lightening the workload and streamlining the company’s modus operandi.

Market position

Bouygues Immobilier is, along with Nexity and Altarea Cogedim, one of France’s three leading residential property developers.

In commercial property, Bouygues Immobilier positions itself as a pioneer in relation to its main rivals, offering products with a strong environmental edge (positive-energy buildings, low-carbon buildings, rehabilitation projects) that provide more services both to building users and to local residents, such as shops, eateries and coworking spaces.

In urban planning, UrbanEra is a standard-setter for sustainable neighbourhood design in France. In 2021:

- The foundation stone of the Etoile eco-neighbourhood in Annemasse (French Alps) was laid following the start of work to the north of the town’s MDZ. The project aims to create a zero-energy neighbourhood that will eventually produce as much energy as it consumes (regulated energy use).
- Nanterre Cœur Université eco-neighbourhood won the “Sustainable neighbourhood” award at the International Green Solutions Awards. It also took the silver award in the ‘Urban planner’ category at the 7th edition of SIAT[®] property development innovation awards.

- demand for housing remains strong;
- terms for borrowers remain highly attractive, with interest rates stable at very low levels and long average loan durations, and
- tax incentives (zero-interest loan programme, Pinel buy-to-let incentives) have been extended until the end of 2022.

Bouygues Immobilier took total reservations of 9,510 residential property units in 2021 (+11% year-on-year), equating to €1.8 billion (+16% year-on-year). In France, the number of reservations was 8,660, up 12% (33% block sales, 67% unit sales). Bouygues Immobilier’s commercial activity outside France held up well, driven mainly by Poland. 850 residential unit reservations were taken.

A DIVERSIFIED OFFERING

Bouygues Immobilier offers a diversified range of housing products:

- multi-unit (owner-occupiers, rental investments, below-market prices, the *Bail Réel Solidaire* (BRS) scheme, intermediate rental housing, social housing);
- single-family houses, and;
- serviced residences for seniors or students, co-living and co-working.

2021 saw a number of landmark handovers, such as:

- Between March and July, the first tranche of the Château Valmante housing development in Marseille (320 dwellings in four buildings, of which two buildings for the CDC Habitat housing association, one building for a Jardin d'Arcadie serviced seniors' residence (98 dwellings) and a last building with 118 dwellings for owner-occupiers, 51 of which are fixed at below market prices);
- In June, handover of an initial tranche of a development in Clermont-Ferrand (7 buildings with 317 student dwellings, 243 for owner-occupiers and 540 car parking spaces) as part of the renovation of the Hôtel Dieu heritage site;
- In July, the Oreka housing development, in Bayonne, with 174 dwellings including 30 individual private houses and 4 multi-unit buildings, in the Séqué eco-neighbourhood;
- In November, Sublime in Puteaux, a housing development with 235 dwellings that stands out for its 17-storey high tower block, and
- At year-end, in Le Havre, the seafront White Pearl apartment building with its 106 dwellings.

COMMERCIAL PROPERTY

Mixed trends in the market

Take-up of office property in the Paris region increased by 32% in 2021 versus 2020 reaching 1.9 million m². The investment market in the Paris region came to €14.7 billion in 2021, a drop of 25% compared to 2020. The market however continues to enjoy strong fundamentals and demand from investors with high levels of liquidity. The rental market is once again growing on the back of several transactions already booked for 2022. In 2022, the investment market should therefore rebound (source: Immostat, JLL, CBRE, BNP Paribas Real Estate). In this context, commercial property reservations taken by Bouygues Immobilier in France amounted to €236 million in 2021, underpinned by the following transactions:

- The sale to UBP (Union des Banques Privées) of ZCA5, a building of over 32,000m², developed in partnership with Axa Reim SGP.
- The handover to Nexans, in April, of its new research site (with 6,000m² of offices and labs dedicated to research and innovation).
- The signing of a contract to develop the last building (6,000m²) of the Neofis campus (22,000m²) on behalf of Midi2i in Toulouse.
- The granting in October of a building permit for the EDA project in Paris, as part of stage two of the "Invent the Grand Paris Metropolitan Area" call for tenders, and
- The handover at end-November to Canal+, the tenant, and to Sogecap, the investor, of Sways, the first "Bureau Généreux" (generous office) building, in Issy-les-Moulineaux, in the southern suburbs of Paris.

(a) Exclusive 2021 rankings of the top brands, published by *Capital* magazine.

As a *Bureau Généreux*, Sways represents a new concept of office buildings that do more for employees and the companies they work for (30% of meeting rooms are modular, natural light, outside spaces), more for the neighbourhood and its inhabitants (services for all thanks to a design that is open to the surrounding public spaces) and more for the planet (bio-based materials from short supply chains, preservation of biodiversity, reversibility study, BBKA low-carbon building certification).

SUSTAINABLE URBAN PLANNING

UrbanEra, Bouygues Immobilier's Major Urban Projects division, addresses the significant demand for urban regeneration across France.

- In 2021, UrbanEra signed a framework agreement with Legendre Energie and Urban Solar Energy to supply 10,000m² of photovoltaic panels for the Etoile eco-neighbourhood near Geneva. The three-way agreement relates to the development, construction and operation of the panels and the sale of the electricity generated for the entire eco-neighbourhood. It is expected to generate 2,000 MWh/year, equivalent to the annual consumption of 1,100 households. Work on the wood-fired biomass heating system has also begun. From September 2022 this facility will provide heating for inhabitants of the neighbourhood. The Etoile eco-neighbourhood project aims to create a zero-energy district that will eventually produce locally as much energy as it consumes.
- In Marseille, the initial phase of work on Les Fabriques eco-neighbourhood has begun, with the planned construction of 385 dwellings, a nursery, retail and business premises, as well as multi-level surface car parking that will be topped by a sports and cultural centre. The project will also integrate ground floor shops and activities and a food hall.
- In the yet-to-be developed neighbourhood of Seine Parisiis, in Corneilles-en-Parisis, the demolition of the last building has allowed for the decontamination of the brownfield site and the preparatory works for the future marina.
- In the Ginko eco-neighbourhood, in Bordeaux, UrbanEra has also opened its first market, with 20 open-air stands, and launched an architectural contest to select a design for Bordeaux' first "frugal space" with 130 dwellings.

OPERATION AND SERVICES

Bouygues Immobilier has been expanding its operation and services activities over the last seven years:

- **Serviced residences for seniors:** Les Jardins d'Arcadie, a leader on the French market for serviced residences for seniors, has been ranked as France's most popular brand in the category "Companies providing services to seniors in Serviced Residences". Several new locations opened their doors in 2021, notably in Antibes, Marseille Valmante, Le Havre and Béthune, lifting the total number in operation to 35 at year-end.
- **Coworking:** in 2015, Bouygues Immobilier opened the first Nextdoor site, which became Wojo in 2019. In 2021, Wojo opened sites in Lille (3,000m²) and Paris Tolbiac (7,300 m²). The company also opened a coworking site in Annemasse, the first to be developed in partnership with Relay, and located inside the town's train station. Wojo currently operates 70,000m² spread over 14 sites in France and Spain, offering around 7,000 workstations.
- **Coliving:** At end-2021, Bouygues Immobilier unveiled its new coliving offer, which provides rapid and flexible access to housing, in areas where the market is tight, for young working people who are undergoing change in their professional or personal circumstances. By working with the

design and architecture studio Cutwork, Bouygues Immobilier has succeeded in creating a unique offer focused on the needs of users. Housing and other buildings in coliving projects will benefit from stringent specifications regarding re-use of materials, regulation of consumption and optimisation of energy, together with rapid and high-quality construction. In 2023, Bouygues Immobilier will open its first coliving site in the Chartrons district of Bordeaux.

Financial results

In a market where demand remained high, Bouygues Immobilier took total reservations worth €2.1 billion in 2021, up 14% versus 2020. The order backlog at end-December 2021 reached €1.7 billion, down 12% year-on-year, due to delays in receiving building permits for residential housing projects, which weighed on the stock of available units. Reservations in France represented 95% of the order book.

Bouygues Immobilier reported sales of €2.1 billion, up 4% and an increase of €84 million compared to 2020. Sales in Residential property rose 6% on 2020 to €1.9 billion. Sales in Commercial property came to €0.2 billion in 2021, down 10% on 2020, as market players maintained a wait-and-see attitude.

Current operating profit amounted to €43 million, up €31 million on 2020. This represents 2% of sales. Non-current charges amounting to €8 million were booked to cover adaptation measures.

Bouygues Immobilier posted a net profit attributable to the Group of €7 million.

And it posted net debt of €142 million at 31 December 2021, compared with €306 million at end-2020.

1.2.2.5 Colas, a global player in transport infrastructure construction and maintenance

Colas designs, builds and maintains transport infrastructure responsibly, basing itself on its strong grassroots presence worldwide. By connecting communities and fostering exchanges for the world of today and tomorrow, the group's ambition is to be the world leader in innovative and responsible mobility solutions.

Business figures

	2021	2020
Backlog (in billions of euros)	10.7	9.2

Highlights

ACQUISITIONS

- Destia, a leading player in road and rail infrastructure (Finland): acquisition completed on 1 December 2021^a

MAJOR CONTRACT GAINS

- Extension of Manila metro (Philippines)
- 9-year motorway maintenance and response contract for Area 9 (UK)
- Strengthening of "Route de l'Est" road and construction of bridges (Ivory Coast)
- Widening and resurfacing of roads in San Bernardino country, California (US)
- Road maintenance in New Liskeard, Ontario (Canada)
- Upgrading of the RN6 road (Madagascar)

MAJOR PROJECTS UNDER CONSTRUCTION

- Westward extension to the Valley Line of the light rail transit system in Edmonton, Alberta (Canada)
- Construction of the Liège tram line (Belgium)
- Building of circuits for the BMW test centre (Czech Republic)
- Laying of tracks and installation of overhead lines for metro Line 15 south - East sector for "Grand Paris Express" (France)
- Widening of the A10 motorway in central France

INNOVATION - CSR

- Colas' greenhouse gas emissions reduction targets endorsed by the Science Based Targets initiative (SBTi)
- Partnership with Saipol for the supply of Oleo100, a bio-based fuel, to Colas' truck fleet in France
- Signing of a framework agreement with Solideo^b for the roll-out of the Qievo logistics delivery regulation solution for 2024 Paris Olympic games

Key figures

€m (unless otherwise indicated)	2021	2020	Change
Sales	13,226	12,297	8%
o/w France	6,051	5,551	9%
o/w international	7,175	6,746	6%
Current operating profit/(loss)	440	254	186
<i>Current operating margin</i>	3.3%	2.1%	+1.2 pts
Net profit/(loss) attributable to the Group	261	94	167

	2021	2020
Sales (in millions of euros)	13,226	12,297
Roads	90%	90%
Railways and other activities	10%	10%
Sales by region (% of total)		
France	46%	45%
Europe (excl. France)	19%	20%
North America	28%	28%
Other regions	7%	7%

(a) Destia is consolidated in the Group's financial statements as of 31 December 2021, with a backlog of €755 million. Excluding the non-current charges related to acquisition costs, Destia makes no contribution to the income statement for FY 2021.

(b) Société de livraison des ouvrages olympiques.

Profile

Colas has three main activities: roads, construction materials and rail. It is also present in the transport of water and energy. Much of its business is local and of a recurrent nature.

With 800 profit centres and 3,000 materials production units (quarries, emulsion factories, asphalt mix and ready-mix concrete plants, a bitumen production plant) in around 50 countries around the world, Colas completes over 60,000 projects every year.

In addition, it recovers and recycles waste and deconstruction materials from the construction industry and other sectors for use in its worksites.

Colas' activities

ROADS

Each year, Colas builds and maintains roads and motorways, as well as airport runways, ports, industrial, logistics and commercial hubs, external works and amenities, reserved-lane public transport (bus lanes and tram lines), recreational facilities and environmental projects. There is also a civil engineering activity, spanning both small and large projects, a marginal construction (and deconstruction) activity and a road safety/signalling activity (via Aximum) .

CONSTRUCTION MATERIALS

Upstream of roadbuilding, Colas has a significant presence in the production, sale and recycling of construction materials (aggregates, emulsions, asphalt mixes, ready-mix concrete, bitumen) through an extensive international network of 463 quarries and gravel pits (of which 72 partly-owned by Colas), 147 emulsion plants, 518 asphalt plants (of which 140 partly-owned by Colas), 174 ready-mix concrete plants and one bitumen production plant . Colas also has a significant bitumen distribution activity supplied by 71 bitumen storage depots, 9 asphalt carrier cargo ships and two river barges.

RAIL

The Rail activity (Colas Rail) comprises the design and engineering of complex, large-scale projects and the construction, renewal and maintenance of rail networks (conventional and high-speed lines, trams and metro systems).

OTHER ACTIVITIES

Colas also has a Water and energy transport activity (Spac), which encompasses the installation and maintenance of large- and small-diameter pipes and pipelines for conveying fluids (oil, gas and water) and for dry utilities (electricity, heating and telecommunications).

Growth strategy and opportunities

Colas' growth strategy is built on four main priorities:

- **make optimum use of the industrial activities, especially aggregates and bitumen**, in a socially and environmentally responsible way in order to control the availability and quality of sourced materials and improve competitiveness;
- **continue targeted international expansion**, mainly through external growth in low-risk countries (such as in North America and Northern Europe), in order to establish and consolidate leading positions on local markets and capitalise on geographical diversification to help spread risk;

- **develop and implement low-carbon solutions** in its production methods (energy savings, recycling, hydrogen, etc.) and in its products and services for customers and users (contract-based, technical, digital solutions), and
- **accelerate digital transformation** in processes, industries and new businesses in order to improve competitiveness and the quality of service provision and offer new services.

Climate strategy

AIM

To combat climate change, Colas has launched a strategy to decarbonise its activities.

TARGETS

For **2030**, Colas has set a target of a **30% reduction in its direct greenhouse gas emissions** (scopes 1 and 2) and of a **30% reduction in its upstream indirect emissions** (scope 3a) **versus 2019**, the reference year.

These targets are based on estimates of CO₂ emissions avoided resulting from the implementation of a series of actions outlined in a roadmap. They were endorsed by the Science Based Targets initiative (SBTi) in 2021.

ACTION PLAN

Coordinated by a Low Carbon Strategy committee and rolled out in the operating entities, Colas' Low Carbon & Biodiversity roadmap comprises 24 pledges monitored by indicators that either already exist or are being created. Actions are structured around five main priorities:

- **integration of climate change issues into strategy**: new lines of business based on renewable energy (e.g. wind farms), creation of concepts contributing to adaptation to climate change (e.g. the "green track" for tram lines), raising awareness among employees and training them (a day dedicated to the "La Fresque du Climat" climate-awareness workshop);
- **improvement of energy efficiency in order to cut the greenhouse gas emissions generated by direct energy consumption** in asphalt mixing plants, machinery, and vehicles: energy monitoring, renewable energies, low-carbon solutions (e.g. signing of an agreement in 2021 with Saipol (Avril group) for the supply of Oleo100, a bio-based fuel, to Colas' truck fleet in France)
- **development and promotion of low-carbon products, techniques and solutions**: purchasing of low-carbon cement and binders, production of low-carbon concrete, bio-based materials, warm and cold asphalt mixes, in-place recycling (e.g. the creation of the Tersen subsidiary in 2021 in France for the recycling of materials and management of construction waste, with the aim of encouraging the growth of circular economy activities)
- **contribute to carbon neutrality and the reduction of emissions generated by customers and users**: responsible and innovative mobility and flow management services, optimisation of infrastructure usage, carbon sequestration and storage (e.g. the signing of a contract in 2021 with Solideo^b for the roll-out of the Qievo logistics "last mile" delivery regulation solution in the Paris region for the 2024 Paris Olympic games)
- **integration of biodiversity preservation issues into the business activities** (e.g. upskilling in ecological engineering in France, particularly via the Ondaine rewilding project at La Ricamerie in south-east France)

(a) The Kemaman refinery in Malaysia (via Tipco Asphalt).

Strengths and assets

Colas operates on **markets with long-term growth prospects in all the countries where it is present**. These markets are driven by population growth, urbanisation, substantial infrastructure needs in emerging countries, recurrent maintenance of existing infrastructure in developed countries, environmental challenges, the spread of new forms of mobility and the digital revolution.

Colas' main strengths are:

- **worldwide collective expertise** drawing on over 55,400 employees, who share a common history and values (caring, sharing, daring), and on a **strong brand**;
- **strong local roots** thanks to a network of 800 profit centres around the world. It can draw on long-standing local teams accustomed to local particularities and that are used to working on small maintenance and improvement projects. These account for most of the over 60,000 projects completed each year. A special division, Colas Projects, also supports subsidiaries in the design and construction of major projects;
- **vertical integration**, with an international network of 3,000 sites producing and recycling construction materials (aggregates, bitumen emulsions, asphalt mixes, etc.), as well as over 70 bitumen storage depots, which give the company control over the value chain upstream, especially its environmental impacts;

Business activity in 2021

Colas reported 2021 sales of €13.2 billion, up 8% on 2020 (up 7% like-for-like and at constant exchange rates). This increase was achieved both in France (+9%) and abroad (+6%). The sales of €7.2 billion in the overseas market represents 54% of the total. Sales in France amounted to €6 billion, equivalent to 46% of the total.

Sales at the roads business were up 8% (up 7% like-for-like and at constant exchange rates). Sales in the France-Indian Ocean region were up 10%, on the back of a favourable comparison base effect related to the lockdown period imposed in 2020. Versus 2019, sales in mainland France were down 7% as a result of lower tendering related to the post-electoral period. Sales in the EMEA (Europe, Middle East, Africa) region were up 4% like-for-like and at constant exchange rates, thanks primarily to Europe. In the United States, sales were up 3% like-for-like and at constant exchange rates. Sales in Canada grew 8% like-for-like and at constant exchange rates, on the back of favourable operating conditions and good momentum in most provinces, particularly Ontario. Finally, in the Asia-Pacific zone, sales were up 5% like-for-like and at constant exchange rates. Sales of construction materials rose 17%.

Sales at Rail and Other activities grew 8% (up 9% like-for-like and at constant exchange rates). At Colas Rail, sales growth was driven by robust performances in France and the UK.

Current operating profit for 2021 was €440 million, a €186 million increase versus 2020 and up €7 million compared to 2019. The 2021 current operating margin was 3.3%, up 1.2 points on 2020 and 0.1 of a point on 2019. The improvement on 2019 comes from the good performance in Canada, the first positive effects of the optimisation plan for the industrial activities, and organisational changes at Colas France.

- **its ability to innovate, particularly:**

- its Campus for Science and Techniques (CST), which designs and develops products and technologies that meet the challenges of the energy transition and new practices;
- "Mobility by Colas", which is a digital mobility services activator that is developing a offering for new technologies and services, and

- **a robust financial structure** and an ability to generate cash flow, enabling Colas to pursue further growth by continuing to invest in targeted assets.

Market position

- **Roads:** in mainland France, Colas is a leading player on a par with Eurovia (Vinci group) and Eiffage Travaux Publics (Eiffage group). It is also in competition with large nationwide French firms (NGE, Fayat TP), regional firms (Roger Martin, Charier, Pigeon) and an extensive network of small and medium-sized regional and local firms. Cement makers are competitors on the markets for aggregates and ready-mix concrete. In Road safety and signalling, its main competitors are Signature (Eurovia), Agilis (NGE), AER (Eiffage), Girod and Lacroix. Colas is also a leading player in Canada. Colas has prime positions in the roadbuilding sector in most of the countries where it operates. Colas' main competitors include local, regional and national firms as well as subsidiaries of multinationals.
- **Rail:** Colas' main competitors in France are ETF (Eurovia), TSO (NGE), TGS (Alstom) and Eiffage Rail. In the UK, Colas Rail's main competitors are Balfour Beatty, Babcock, Volker Rail, BAM and Ferrovial.
- **Water and energy transport:** Spac's main competitors are Spiecapag, Bonatti, Ponticelli, Endel, Eiffage Métal, Denys and Nordon.

Non-current operating charges amounted to €10 million in 2021, related to the acquisition of Destia and the continued dismantling of the Dunkirk refinery site. Non-current charges amounted to €69 million in 2020, related to the reorganisation of the roads activities in France and the continued dismantling of the Dunkirk site.

Operating profit amounted to €430 million, up from €185 million in 2020 and €405 million in 2019.

Net profit attributable to the Group amounted to €261 million in 2021 compared with €94 million in 2020, an increase of €167 million. In 2019, the figure was €261 million.

Roads (2021 sales: €11.9 billion)

Sales rose 8% compared to 2020 (up 7% like-for-like and at constant exchange rates).

ROADS FRANCE AND INDIAN OCEAN REGION (2021 SALES: €5.7 BILLION)

Sales were up 10% versus 2020 (up 10% like-for-like and at constant exchange rates).

In mainland France, 2021 sales were up 8% compared to 2020. Since 2020, which was hit hard by the health crisis and in particular the lockdown measures, the roads subsidiaries have almost returned to pre-Covid levels of sales, despite the continuing decline in the number of public procurement contract tenders. On 1 January 2021, Colas' six regional subsidiaries were merged into a single legal entity called Colas France. In 2021, Colas continued to roll out a range of mobility solutions that are both more innovative and more environmentally friendly. The sand-coloured

asphalt mix, Vegecol, which is more than 80% plant-based, helps to reduce the carbon footprint of projects. Urbalith is a permeable, light-coloured road surfacing material that is being used for the redevelopment of LyonTech-La Doua university campus, where it is helping to reduce the urban heat island effect. In terms of the circular economy, the creation of the Tersen subsidiary, comprising the materials extraction and recycling, and construction waste management activities in the Paris region, represents a significant milestone in the growth of such businesses in mainland France, where close to 200 materials recycling plants are now operational across the country. Aximum, the Road safety and signalling business, posted improved figures despite increased costs and supply difficulties for certain raw materials (resin, steel, etc.).

Sales increased 28% like-for-like and at constant exchange rates in the French overseas departments and in the Indian Ocean region.

Sales in the Caribbean-French Guiana zone varied, with upturns in Guadeloupe and Martinique, and strong growth in French Guiana, where the works are still ongoing on Line A of the Bus Rapid Transit (BRT) route in Cayenne. On Réunion Island, the core activities of public works, civil engineering and construction are stable. Work to connect the breakwater for the New coastal road are continuing. In Mayotte, sales were supported by dynamic market conditions. In Madagascar, Colas won a large-scale contract to upgrade the RN6 road. In Mauritius, sales remained buoyant.

ROADS MIDDLE EAST, EUROPE, AFRICA (EMEA) (2021 SALES: €2.2 BILLION)

Sales increased 5% versus 2020 (up 4% like-for-like and at constant exchange rates).

In the UK and Ireland, sales were up 6% (down 3% like-for-like and at constant exchange rates). Sales were driven by infrastructure investments in the UK and robust momentum in Ireland.

In Western Europe, sales climbed 3% (up 4% like-for-like and at constant exchange rates). In Belgium, works on the Liège tram line are ongoing, and sales in Switzerland remained solid.

In Northern Europe, sales showed a slight decline of 1% (down 2% like-for-like and at constant exchange rates), comprising a small decline in sales in Denmark and an increase in Iceland. The acquisition of Destia, a major Finnish player in road and rail infrastructure, was completed on 1 December.

In Central Europe, sales rose 7% on 2020 (up 8% like-for-like and at constant exchange rates). Sales were supported by major projects like the M4 and M30 motorways in Hungary and the test track for BMW's mobility centre in the Czech Republic.

In the North, Central and Western Africa (MACAO) zone, sales rose 6% (up 5% like-for-like and at constant exchange rates); sales improved slightly in Morocco and increased in Ivory Coast with the start of the major Route de l'Est contract, which includes four bridges.

In the Middle East (where subsidiaries are equity-consolidated) and in Southern and Eastern Africa (MESEA) zone, sales were stable in the United Arab Emirates but down sharply in South Africa.

ROADS CANADA (2021 SALES: €1.9 BILLION)

Sales were increased 12% on 2020 (up 8% like-for-like and at constant exchange rates).

The economic recovery was supported by public investment in all provinces and regions. The road building activity was driven by favourable weather conditions and the limited impact from the Covid-19 crisis. Sales increased sharply in Ontario, up in Quebec and Alberta in the Edmonton region, and

down slightly in British Columbia. Good market conditions, especially in Quebec, contributed to a robust performance for McAsphalt's bitumen distribution business. Work is currently underway on the contract to design, build and finance the extension of the Light Rail Transit (LRT) Valley Line West in Edmonton, Alberta, which was awarded at end-2020. Colas is the lead firm for the project, which is being undertaken by a consortium made up of Colas Canada, Colas Rail Canada and Colas Projects Canada.

ROADS UNITED STATES (2021 SALES: €1.7 BILLION)

Sales were down 1% versus 2020 (up 3% like-for-like and at constant exchange rates).

Despite the disruption to the economy caused by the Covid-19 epidemic, sales increased slightly at constant exchange rates. The federal government's plan to inject USD1,200 billion into infrastructure was passed in mid-November. The first effects of this stimulus plan are expected in the second half of 2022. The major works to build a taxiway and upgrade runways at Los Angeles airport have now been completed. A new subsidiary has been created - Colas Construction USA Inc. - dedicated primarily to large-scale and complex contracts, as well as to federal government contracts. A rental contract for two bitumen storage depots in South Carolina and Virginia has also been signed.

ROADS ASIA-PACIFIC (2021 SALES: €0.4 BILLION)

Sales increased 10% versus 2020 (up 5% like-for-like and at constant exchange rates).

In **Asia**, despite a contracting bitumen market, Tipco Asphalt, the equity-consolidated subsidiary that focuses on the production, distribution and sale of bitumen products, maintained a satisfactory level of sales and benefited from buoyant markets in **Thailand** and **Vietnam**. Work by the subsidiary TWS on building runway 3 at Bangkok international airport is currently underway. In **India**, the Hincol subsidiary (equity-consolidated) posted a sharp upturn in sales and a good performance.

In **Oceania, Australia** and **New Zealand**, sales (road works, sale of bitumen, emulsions) were hit by adverse weather conditions and Covid lockdown measures. In **New Caledonia**, sales at the industrial and road-building activities contracted, but remained stable at the building sector activity.

In **Latin America**, the **Chilean** road subsidiary Asfalcura and its bitumen trading subsidiary Oil Malal continued to grow.

Rail and other activities (2021 sales: €1.3 billion)

Sales by Rail and other activities were 8% higher than in 2020 (up 9% like-for-like and at constant exchange rates).

RAIL

Sales rose 7% to €1.1 billion (up 8% like-for-like and at constant exchange rates), with international markets accounting for more than two-thirds of the total.

Sales increased in **France**. The Major track and catenary project activity benefited from two large-scale contracts to renew and upgrade rail infrastructure. The Metros and Trams activity was supported by the ongoing project to build the south-east segment of Metro Line 15 as part of the Grand Paris infrastructure project and the extension of Line 14 as far as Orly. In the **United Kingdom**, the rail market remained healthy, and the ongoing contract for the South Rail Systems Alliance (CP6) enabled the subsidiary to post another year of solid growth. **Continental Europe** showed an increase in sales, particularly in Belgium, the Czech Republic and Italy. In the **Rest of the World**, sales were stable in the Middle East-Africa region and in

South America (the Santiago metro in Chile). Canada ramped up on the back of two major urban rail projects (LRT contracts in Toronto and Edmonton). In Asia, the metro contracts in Hanoi and Jakarta have been completed, the upgrade of overhead lines for a LRT line in Singapore is ongoing, and Colas Rail won a major contract for the Manilla metro system (its first ever in the Philippines).

1.2.2.6 Outlook for the construction businesses

The outlook given below assumes that there will be no further deterioration due to the health crisis.

Bouygues Construction

Bouygues Construction enjoys a number of strengths:

- it had **orders at 31 December 2021 to be executed in 2022 worth €9.7 billion** (the same level as at end-December 2020 for execution in 2021) and a **mid-term backlog** (to be executed between two and five years) worth **€9 billion** at 31 December 2021;
- it is a **full-service operator in all the places where it has a long-term presence** (Australia, Canada, Hong Kong, UK, Switzerland etc.) and continues to develop exceptional projects, on a case-by-case basis, with local partners;
- in its **Building** activity, it operates as a **leader in renovation and rehabilitation as well as in property development**; in its **Civil works** activity, it is a **leading player in the major infrastructure market**, and
- it is **expanding its Energy and Services** activities to **become a major player in the multi-technical services sector**.

WATER AND ENERGY TRANSPORT

With no major gas projects in mainland France, the Water & energy transport business posted sales of €0.2 billion, up 13% on 2020. Sales on the international markets are gaining momentum.

CONTINENTAL BITUMEN

Founded in 2020 as part of Colas' industrial strategy, Continental Bitumen Ltd is responsible for ensuring the reliable supply of bitumen and the development of a bitumen distribution and trading activity in the France-EMEA zone. The logistical resources needed for this activity are currently being ramped up, notably with the construction of two asphalt carrier cargo ships, each with a capacity of 20,000 tonnes, and a 25,000-tonne bitumen storage depot in the UK.

Bouygues Immobilier

The residential property market in France continues to enjoy solid fundamentals as well as long-term demand and needs. Nonetheless, in the short term, a number of uncertainties remain, such as the possibility that the health crisis might continue after the summer and into the autumn of 2022 or those usually related to election years in France.

In 2022, the recovery in the market is likely to be slowed down by fragile demand (rising interest rates, stronger inflationary pressure than in the past, an increase in residential property prices and continued tight lending conditions) and by the fact that the supply of multi-unit housing is likely to remain below pre-crisis levels.

Colas

Sales in 2022 are likely to increase sharply versus 2021 mainly as a result of the contribution from Destia.

After a robust recovery in sales in 2021, Colas is pursuing its programmes to boost the profitability of its businesses and has confirmed the target of a 4% current operating margin for 2023.

1.2.3 TF1, a major player in French television broadcasting

TF1 wants to positively inspire society by informing and entertaining as many people as possible. As France's leading TV media group, it keeps pace with the way people consume content (catch-up TV, enhanced services, and Salto). It has strengthened its presence across the entire value chain investing in new growth-potential sectors such as content production and digital media.

Business figures

	2021	2020
Audience share (women under 50 who are purchasing-decision makers)	33.5%	32.4%
Audience share (individuals aged between 25 and 49)	30.2%	29.9%

Highlights

ACQUISITIONS - PROJECTS

- Announcement on 17 May 2021 of a proposed merger between TF1 and M6 to create a major French media group

MEDIA^a

- 70 of the best 100 audience ratings of 2021 over all age categories; 79 out of 100 for the 25-49 age range and 81 out of 100 for the FRDA<50^b category
- 27 million subscribers to the MYTF1 VOD platform
- Renewal of distribution agreements that expired in 2021

- First targeted TV advertising campaigns and partnership between TF1 Pub and leboncoin
- TF1 Pub, the group's media sales unit, announced the launch for 2022 of Eco-Funding, a vehicle to finance public service campaigns that promote responsible consumption.

PRODUCTION^c

- Acquisition of iZen (Spain) and of Flare Film (Germany)
- A&E acquires a stake in Reel One, Newen's Canadian subsidiary

Key figures

€m (unless otherwise indicated)	2021	2020	Change
Sales	2,427	2,082	17%
Cost of programmes	981	868	113
Current operating profit/(loss)	343	190	153
<i>Current operating margin</i>	<i>14.1%</i>	<i>9.1%</i>	<i>+5.0 pts</i>
Net profit/(loss) attributable to the Group	225	55	170

The "Cost of programmes" metric, which replaces the "Cost of programmes at the five unencrypted channels" metric from 31 March 2021, includes the cost of non-linear TV activities (MYTF1, LCI) as well as that of the theme TV channels (TV Breizh, Ushuaïa TV, Histoire TV).

(a) On 30 June 2021, the group's "Digital" and "Broadcasting" operations were merged into a new "Media" sector.

(b) Women under 50 who are purchasing decision-makers.

(c) Newen Studios.

Profile

A major player in French broadcasting, TF1 is the number one private TV group with a strong presence in content production and distribution. It provides a unique offering of content and services, both free and pay-only. It aims to consolidate this leadership in the coming years by keeping pace with changing viewer behaviour (the convergence between television and digital media) and by growing its content production activities. It will draw on its workforce of almost 4,000 to achieve this.

In 2021, TF1's flagship drama, news and entertainment shows retained their appeal for viewers. TF1 markets its productions in France and abroad, proof of a distinctive expertise that responds to the growing demand for local content.

The group's ambition to act as a positive societal influence goes hand in hand with its determination to be a responsible player in the social and environmental arena.

Growth strategy and opportunities

Exploit the convergence between television and digital media to keep pace with changing user behaviour

The attention market is growing and has undergone sweeping change on the back of major shifts in content consumption behaviour, which now takes different forms, ranging from traditional linear TV, whose historic daily viewing time per individual is declining, to VOD services. User habits are converging and digital technology is driving profound changes in the way producers and broadcasters operate. TF1 aims to keep pace with this transformation which creates significant opportunities in terms of value creation, both for TF1's audiences and its advertisers.

The French and international broadcasting sectors have experienced major change in recent years. Competition has become fiercer following the arrival of the global platforms in particular, which operate in both TV advertising and TV content production.

On the back of its five unencrypted channels^b TF1 enjoys expertise in understanding viewer expectations, creating events-based television and offering high-quality content at the right time, in the right format and for a broad viewership, as shown by the 51 million people who watch its channels every week in France, namely 700,000 more than in 2020.

TF1 also offers premium content through websites considered as benchmarks in their respective fields: *aufeminin*, *Doctissimo* and *Marmiton*.

TF1 successfully monetises this content broadcasting clout with advertisers. They in turn benefit from instant brand value creation, boosted by the use of new advertising and data processing technologies. In 2021, TF1 rolled out targeted TV advertising^c on its channels and began offering advertisers programmatic advertising^d.

TF1's business has evolved towards that of a made-to-measure content provider focused on the end-user, where content is adapted to the audience, both in editorial terms (a diversity of genres represented) and the

way in which it is viewed (linear, catch-up TV, SVOD). TF1 has successfully adapted its core business model through:

- **merging the digital and traditional TV offers within a new "Media"^e arm**, thereby accelerating the unlocking of synergies between television and digital media in terms of content and its distribution;
- **consolidating the leadership** of its MYTF1 catch-up TV platform, following the latter's revamp in 2019 and the launch of related services like MYTF1 MAX;
- the **monetisation of its additional content and services** with telecoms operators and Canal+, and;
- **designing innovative commercial offers** that keep pace with media convergence.

Consolidate its position in production

In France and abroad, there is strong demand for content that is high-quality, local and multi-genre. Consumers have never been so demanding about what they watch. In response to this trend, pure players like Netflix, Amazon Prime Video and Apple TV+, along with traditional broadcasters, are turning to the unique expertise of independent production companies.

TF1 is drawing on Newen, which boasts recognised expertise:

- **across all genres**, from drama to animation, and;
- **serves a wide range of customers**, from private and public TV channels to the streaming platforms.

Newen still boasted a very healthy backlog in 2021 thanks to the diversification of its customer base and its continued international expansion, following the acquisition of two studios in 2021; *iZen* in Spain and *Flare Film* in Germany.

Climate strategy

TF1 is more than ever committed to pursuing its Corporate Social Responsibility (CSR) policy. The launch of its Climate strategy in December 2020 is proof of this. The strategy is built around three main pillars:

- **reducing its carbon footprint**, with a targeted **30% cut in carbon emissions over scopes 1, 2 and 3a by 2030** versus 2019 ;
- **supporting customers** to integrate these environmental targets into their advertising campaigns; and
- **contributing to the low-carbon transition** through the content it broadcasts.

Furthermore, TF1 underlines its socially and environmentally responsible stance by **reporting on positive stories** in the news output of TF1/LCI or by expanding programming around the *Ushuaïa* brand.

(a) A programme can only be viewed at a time set by the broadcaster, in contrast to other viewing methods (catch-up TV, OTT, etc.) where viewers can choose when to watch.

(b) TF1, TMC, TFX, TF1 Séries Films and LCI.

(c) A technology that delivers different advertising messages adapted to each viewer during the same TV programme.

(d) The automated sale of advertising space using an algorithm that determines the optimum positioning of an advertisement, by type of product and target audience.

(e) On 30 June 2021, the group's "Digital" and "Broadcasting" operations were merged into a new "Media" segment.

(f) An ad-free, pay-per-view catch-up TV offer.

(g) The scope of the carbon audit is published in the Universal Registration Document available at www.groupe-tf1.fr (point 4.3.1). The reduction targets are given for this same scope.

Strengths and assets

The overall offering of TF1 gives it robust assets:

- a **unique position** in the French broadcasting sector through its five complementary unencrypted TV channels, which include the TF1 TV channel;
- **large audiences** spanning much of the population;
- **numerous options for viewing video content**, from linear content to VOD, providing consumers with a made-to-measure experience that is adapted to their own viewing habits;
- **powerful brands** that enjoy heightened visibility thanks to the many traditional TV and digital viewing options;
- **unique exposure opportunities** for advertisers across all platforms; linear, non-linear and digital media;
- **recognised expertise in TV content production** with Newen and in distribution, both in France and worldwide;
- Stable cash generation and a **robust financial structure**.

Market position

Media sector

In 2021, daily TV viewing time^a remained at a high 3h 39m for people in the individuals aged 4 years and over age group, which is down year-on-year, but up 9 minutes versus 2019. This data includes mobile viewing time (on computers, tablets, smartphones and outside the home) as from April 2020.

In a French DTT market comprising 27 unencrypted channels, TF1 airs, in

Business activity in 2021

In 2021, TF1 delivered a robust operational performance and confirmed its successful transition towards a new business model, both in its core broadcasting activity as well as in content production and digital media.

2021 results

Growth in sales and current operating profit in buoyant economic conditions

The TF1 group posted consolidated sales of €2.4 billion in 2021, up €345 million (+17%) versus 2020, due to:

- a year-on-year increase of €244 million in sales at the Media sector, thanks primarily to higher advertising revenue, after 2020 was hit by the Covid-19 crisis;
- a €102 million increase in sales at the Newen Studios sector. This is explained by a catch-up effect as the shooting scheduled for 2020 - when most studio production was shut down - started up again, and by growth in overall activity.

The TF1 group posted current operating profit of €343 million in 2021, up sharply by €153 million. This increase results from growth at TF1, both in the Media sector and at Newen, and cost reductions, particularly in programming.

The current operating margin came to 14.1% (12.9% excluding the booking of a €29.5 million tax credit granted in relation to the Covid pandemic), compared with 9.1% in 2020.

(a) The sum of live + timeshifted + catch-up TV content. Source: Médiamétrie.

(b) Médiamat by Médiamétrie (average annual in 2021) – Individuals aged 4 and over.

addition to its leading TF1 TV channel, a multi-channel offering comprising TMC, TFX, TF1 Séries Films and LCI.

It remains the private broadcaster that enjoys the largest audience share, with 27.2%^b in 2021.

On the advertising market, TF1 competes with state-owned channels, and private groups such as M6 (M6, W9, 6Ter, Gulli), the Canal+ group (Canal+, C8, CStar, Cnews), Altice (BFM TV, RMC Découverte, RMC Story) and NRJ (NRJ12, Chérie 25). It is also faces competition from the catch-up TV platforms of these groups, such as 6play and France.tv.

TF1 also competes against the press, radio, web, billboard and cinema media. TF1 PUB, the TF1 group's advertising sales agency, also operates in the radio and web advertising markets.

Elsewhere, TF1 is in fierce, head-to-head competition with the newly-arrived global pure players, particularly in the areas of rights acquisition and the sale of advertising space.

On 20 October 2020, to keep pace with changing trends in content viewing behaviour, TF1 also launched the French OTT platform Salto, developed jointly with the France Télévisions and M6 groups.

Production sector

TF1 boasts a long-standing presence in TV content mainly through the sale of rights catalogues and the coproduction of films. In response to increasing demand in recent years in the television content market, as well as to the sector consolidation around players such as Banijay, ITV Studios and Mediawan, TF1 acquired the production company Newen, which has been wholly-owned since July 2018.

The TF1 group posted operating profit of €333 million, €218 million more than in 2020. The proposed merger of TF1 and M6 incurred non-current charges of €10 million.

Net profit attributable to the Group was €225 million, a year-on-year increase of €170 million.

Results by business activity

Media

Sales for the Media sector came out at €2,092 million, up €244 million year-on-year. The increase comes from year-on-year growth in ad revenue, in line with the upturn in economic activity. Most advertisers chose TV as the target for their reinvestment, both in linear programmes and non-linear content.

The renewal of distribution agreements with the ISPs enabled the group to continue its transformation and adapt to new modes of consumption, as demonstrated by the launch of the new MYTF1 MAX offer (see "Digital media growing fast" section).

The entertainment segment (music, events, concerts) grew compared to 2020 thanks to the gradual lifting of Covid-related restrictions.

Cost of programmes^a in 2021 were €981 million, up €113 million year-on-year. This carefully-managed reinvestment took place in a dynamic advertising market, and underscores the group's ability to invest in successful programming, enabling higher ratings among target audiences and to optimise advertising inventories in linear and non-linear TV.

Current operating profit for the Media sector was €305 million, a year-on-year increase of €137 million^b. The current operating margin rose to 14.6% from 9.1% in 2020.

Newen Studios

Newen Studios posted sales of €336 million in 2021, up €102 million versus 2020. It benefitted from a catch-up effect after the shutdown of all production shooting for close to two months in 2020. Organic growth, combined with the acquisitions completed in 2021, also contributed to the growth.

Newen posted current operating profit of €39 million in 2021, up €16 million year-on-year.

A healthy financial situation

Shareholders' equity attributable to the TF1 group stood at €1,768 million at 31 December 2021 out of total assets of €3,722 million.

Net cash was €198 million at 31 December 2021, up from net debt of €1 million a year earlier.

In November 2021, Standard & Poor's changed its BBB+ rating for TF1 from "Negative Outlook" to "CreditWatch Negative".

Commercial activity in 2021

The benchmark television offering in France

TF1 remains France's leading^c private television group in 2021. The group posted a total audience share of 33.5% (+1.1 points year-on-year) among women under 50 who are purchasing decision-makers and of 30.2% (+0.3 points) in the 25-49 age group.

The TF1 TV channel confirmed its leadership position and its unique ability to attract all audiences across all programme categories. It thereby scored 70 of the 100 biggest audiences of the year among the individuals aged 4 years and over age group and 81 of the top 100 audiences among women aged under 50 who are purchasing decision-makers. In addition to its dominance in local premium content such as in French drama (*HIP, Liar*), TF1 stood out for particularly good performances in entertainment (*Koh-Lanta*), sport (good ratings for Euro 2020), high-quality news programming and a strong feature film offer (*C'est la Vie!*, *Sink or Swim*).

The group's DTT channels (TMC, TFX, TF1 Séries Films, LCI) attracted a combined 10.8% share of the target audience of women under 50 who are purchasing decision-makers, which was up 0.2 points year-on-year. TMC confirmed its position as the leading DTT channel. The channel had a good year with its target audiences, obtaining 4.5% of the audience among women under 50 who are purchasing decision-makers and the 25-49 age group (+0.3 points for each target). This was thanks in part to good ratings for the infotainment show *Quotidien* and a premium cinema offer with films like *Black Panther*. TFX once again ranked as the number-three DTT channel among the 15-24 age group thanks to prime-time programming of popular films. TF1 Séries Films performed well in the individuals aged 4 and above group, taking 1.9% of the audience, a year-on-year increase of 0.1 points. Lastly, LCI held on to its place as France's number-three rolling news channel, with an average annual audience share of 1.1%^d.

Strong growth in the digital business

MYTF1 combines content from the group's five channels in non-linear format^e and a free video on demand offer, along with an upgraded viewing experience. It posted a record year with 2.7 billion videos viewed, a 15% year-on-year increase.

The group's video offer was expanded in 2021 with the launch at end-November of MYTF1 MAX, the first comprehensive catch-up TV offer without ad breaks, available for computers, mobile phones, tablets and TVs using the cast function. This gives the viewing public direct access to channels for a better viewing experience, with thousands of hours of content in catch-up mode, in HD and without ad breaks.

Production activity in good health

In 2021, Newen pursued growth on the French market and abroad, producing over 1,900 hours of content, in several categories (drama, light entertainment, TV films, documentaries, animation, etc.)

On the international market, Newen completed the acquisition of iZen studios in Spain and Flare Film in Germany. It also signed a distribution agreement with A&E in Canada and the US, which saw A&E take a stake in the capital of Reel One. The share of the international activities in sales was 47%.

At end-December, the backlog stood at over 1,600 hours^f. Newen continued to seek out ambitious partnerships with its customers, examples being the production of *Liaison* for Apple TV+ and *Ferry* for Netflix.

(a) Cost of programmes, which, from 31 March 2021, replaces the cost of programmes for the five channels metric, includes the cost of non-linear programming (*MYTF1*, *LCI digital*) and that of the theme channels (TV Breizh, Ushuaïa TV, Histoire TV).

(b) Up €108 million restated for impact of the tax credit, equating to a margin of 13.2%.

(c) Source: Médiamétrie.

(d) Individuals aged 4 and above.

(e) Content available outside the broadcaster's programme schedule (podcasts, catch-up TV, streaming, VoD, etc.).

(f) Number of hours in backlog, net of hours delivered at 31 December 2021 (projects worth over €1 million and not including Reel One, acquired in the fourth quarter of 2019).

Outlook

In the last few years TF1 has successfully reshaped its business model in order to keep pace with changing trends in content viewing behaviour and boost the services it offers to advertisers, thereby leveraging the convergence between traditional television and digital media. In 2021, the renewal of its distribution agreements with telecommunications operators, the expansion of MYTF1 and of the Salto platform, and the targeted TV advertising service for advertisers all represent opportunities that will help boost the TF1 group's Media sector.

Newen Studios will pursue its development in 2022 in a buoyant market, particularly thanks to the application of the EU's AVMSD directive in France

and Europe that will lead to an increase in orders from platforms for local content, in which its expertise and knowledge of customers will be differentiating factors.

The proposed merger between the TF1 and M6 groups, whose aim is to address the sweeping changes within the sector, is progressing according to the initially agreed timetable. The closing of the transaction is subject to approval from the competent authorities (Competition authority, Arcom).

(a) The French broadcasting authority.

1.2.4 Bouygues Telecom, bringing people together

Bouygues Telecom is a major player in the French telecommunications market, harnessing the very best technology to bring people closer together for the last 25 years. It provides high-quality networks, products and services tailored to the needs of 26 million customers.

Business figures

in millions	2021	2020
Fixed customers	4.4	4.2
Mobile customers	21.8	18.8

Highlights

ACQUISITIONS - PARTNERSHIPS

- On 1 January 2021, integration of EIT, the leading French alternative operator, renamed BTBD^a
- Marketing of Bouygues Telecom's fixed and mobile products and services throughout the Crédit Mutuel and CIC banking networks
- Launch of Bouygues Telecom Entreprises Oncloud, a hosting and cloud computing specialist
- 5G trials with Chantiers de l'Atlantique shipyards on their site in Saint-Nazaire

PRODUCTS AND SERVICES

- Launch of the new range of fixed services with the "Wifi guarantee" promise
- Launch of the flexible data envelope "1 to 10 GB Sensation plans" for parents of teenagers
- Bouygues Telecom Entreprises launches the no minimum term "Secure Business Fibre" offer for SMEs

CSR

- Creation of an incubator for non-profits and a platform offering volunteer work assignments with the launch of the new "Bbox Asso" offer
- Launch of "Mon empreinte smartphone", a free app from Bouygues Telecom that promotes the sustainable use of digital technology
- First wind power renewable energy supply contract (PPA) signed with EDF
- Launch of the "Sustainable Smartphone Solutions" programme, which seeks to raise awareness among consumers about the different ways they can extend the lives of their smartphones or recycle them (Repair, Recover, Refurbish, Recycle).

GOVERNANCE

- On 1 January 2022, the functions of Chairman and Chief Executive Officer were separated. Richard Viel retains his position as Chairman and Benoît Torloting is appointed CEO.

Key figures

€m (unless otherwise indicated)	2021	2020	Change
Sales	7,256	6,438	13%
EBITDA after Leases ^b	1,612	1,502	110
EBITDA after Leases margin ^c	28.9%	30.7%	- 1.8 pt
Current operating profit/(loss)	572	623	- 51
Net profit/(loss) attributable to the Group	445	417	28

(a) Bouygues Telecom Business Distribution.

(b) See Glossary in this document.

(c) EBITDA after Leases/Sales from services.

Profile

Growth strategy and opportunities

In 2021, Bouygues Telecom celebrated 25 years of existence, a period marked by a spirit of conquest and numerous innovations in a constantly changing market.

- In 1996, the operator launched the first mobile phone plan and, in 1999, the first mobile phone plan with unlimited voice calls.
- In 2009, it was the first operator to offer a 4P package (mobile, fixed, internet, television).
- With the launch of B&You in 2011, it was also the first operator to market a Sim-Only, fully on-line plan.
- Finally, in 2020, Bouygues Telecom unveiled the “Bbox Smart TV”, with its integrated application, effectively spelling the end of the traditional TV box.

Today more than ever, Bouygues Telecom continues to meet the expectations of its customers and adapt to their changing behaviour. This is made possible by:

- the excellent quality of its mobile and fixed networks,
- the seamless, user-friendly experience of its services, and
- the comprehensive offers that are available to retail and business customers throughout France.

The company’s strong brand identity and the unwavering dedication of its 10,000 employees also contribute to the success of the strategy.

Leveraging these strengths, Bouygues Telecom now wants to ramp up growth on a French market being driven by the two major technological breakthroughs of FTTH and 5G.

The “Ambition 2026” strategic plan, unveiled at the start of 2021, breaks down into three main objectives:

Become the No. 2 mobile player as recognised by customers

Bouygues Telecom wants to be recognised by customers as the number two mobile operator in the French market.

The priority is to roll out a reliable 5G network while maintaining the excellent quality of the 4G network. Bouygues Telecom also wants to maintain its ranking as the number two mobile operator^a for network quality and quadruple its network capacity by 2026. Accordingly, it plans to increase its coverage to over 28,000 sites by the end of 2023 and to 35,000 sites by the end of 2026.

In terms of market share, Bouygues Telecom is currently the third-ranked mobile operator in France thanks to the integration of BTBD^b and its customer base of 2.1 million on 1 January 2021.

The long-term distribution partnership signed with the Crédit Mutuel banking group provides the benefits of the latter’s complementary network of 4,500 local branches which have been selling Bouygues Telecom mobile and fixed products and services since November 2021. This will shore up the operator’s pre-existing network of over 500 stores.

(a) Arcep survey (the French telecoms regulator), November 2021.

(b) Bouygues Telecom Business Distribution, formerly known as EIT (Euro-Information Telecom).

(c) Formerly Nerim.

(d) Fibre-To-The-Office.

(e) Fibre-To-The-Antenna.

Gain an additional 3 million FTTH customers

The sharp increase in demand for fibre, both from retail and business customers on the French market, opens up new opportunities for market share gains. With this in mind, Bouygues Telecom is now aiming for an additional three million FTTH customers by the end of 2026 versus end-2020.

It plans to double its FTTH coverage to reach 35 million premises marketed by the end of 2026, with an intermediate milestone of 27 million in 2022.

To achieve this goal, it will leverage its direct investments and partnerships. Help will come from the agreement with Cityfast to connect 3.4 million premises in half of France’s very dense areas, in addition to its own investment. In the medium-dense areas, it will capitalise on its partnership with Vauban Infrastructure Partners, and, in the PIN zones, on agreements signed with local operators.

Double market share in fixed BtoB and become a Wholesale Fixed player

As the third ranked operator in the B2B market, Bouygues Telecom wants to ramp up its growth, particularly in fixed. The aim is to increase its share of the fixed B2B market by five points. To achieve this, it will:

- consolidate its position as a benchmark in BtoB customer relations;
- leverage its multi-channel distribution network, which is considerably stronger since the acquisition of Keyyo and OnCloud, and the signing of the long-term distribution agreement with the Crédit Mutuel-CIC banking group, whose network has a strong SME customer base, and
- monetise its FTTO^d and FTTA^e infrastructure.

Bouygues Telecom is also drawing on strategic partnerships to help it offer top-notch connectivity with enhanced B2B products and services. For example, it is working with Capgemini, IBM and Accenture to support BtoB customers share innovation around 5G technology.

In addition, Bouygues Telecom is expanding its fixed wholesale offer by capitalising on its expertise and leadership in mobile wholesale and on the rapid roll-out of its FTTO and FTTA infrastructure (agreement signed with Cellnex in February 2020).

Finally, across all its markets, Bouygues Telecom is continuing to leverage its new brand positioning “*We are made to be together*” that was launched in 2020. It is pursuing its *more for more* value creation strategy, which was rolled out successfully four years ago by means of an expanded product offer.

Climate strategy

In recognition of the impact its activities have on the environment, Bouygues Telecom has pursued a clearly-defined green strategy to reduce its consumption of raw materials for the last 20 years. For example, in 2004, it launched a collection service to recycle used handsets and, in 2007, it integrated scope 3 emissions (indirect CO₂ emissions) into its carbon footprint before this became a legal requirement. In 2011, it was also the first French operator to provide a mobile handset refurbishing service and, in 2019, to offer a rapid-repair service.

Determined to minimise the environmental impact of increasing customer usage, Bouygues Telecom made ambitious climate pledges in 2020, in line with the Paris Climate Agreement. The result is the 2020-2030 Climate Plan, which aims to reduce the company's carbon footprint in three ways.

Targets

- **A 50% reduction** in direct emissions (scope 1) and in the indirect emissions related to its energy consumption (scope 2) by 2030 versus 2020, with the aim of overall carbon neutrality by 2040.
- **A 30% reduction** in indirect emissions (scope 3) **by 2030, versus 2020**,
- **Use renewables** for at least 50% of its energy needs from 2021.

Action plan

In order to achieve these ambitious targets, Bouygues Telecom is stepping up its efforts under the slogan *“Working together to ensure digital technology is good for the planet”*:

- working together to make infrastructure more energy-efficient and less carbon-intensive:
 - choose greener equipment and optimise infrastructure lifecycles;
 - improve the energy efficiency of telecoms sites and data centres, and
 - invest in renewable energy sources.
- working together for more sustainable products and services:
 - optimise handset lifecycles with the “Sustainable Smartphone Solutions” programme;
 - encourage use of eco-design methods in partnership with suppliers and reduce packaging, and
 - extend product lifecycles and improve their recyclability.
- working together for more responsible use:
 - raise stakeholder awareness of the need for digital sustainability,
 - innovate to develop climate-friendly digital technology, and
 - continue to develop responsible digital technologies that are accessible to all.

In early 2021, Bouygues Telecom confirmed and materialised its pledge to ensure that digital technology is good for the planet by ensuring that 100% of its energy supply would be met by renewables^a up to 2024, of which a portion directly provided by its first wind energy PPA^b signed with the EDF group.

(a) See Bouygues Telecom's press release of 28 May 2021: 100% of energy provided by electricity suppliers will be renewable, either wind or hydro, with 90% being covered by a guarantee of origin mechanism.

(b) Power Purchase Agreement.

(c) Arcep survey (the French telecoms regulator), November 2021.

(d) This white paper (in French only) is entitled *Nouveau partenariat pour la qualité du raccordement en fibre optique*.

(e) Most recent Arcep data (the French telecoms regulator). Mobile market refers to Mainland France. Fixed broadband market refers to Mainland France and the French overseas departments (fixed broadband includes superfast broadband). Superfast subscriptions offer peak downstream speeds higher or equal to 30 Mbit/s. (Arcep definition)

(f) Mobile Virtual Network Operators.

Strengths and assets

10,000 dedicated employees

According to the employee perception survey in 2021, 95% of employees said they were prepared to “give their best effort for the company” and 93% said that they were “proud to belong” to the company.

Competitively-priced, high-quality offers

Bouygues Telecom is pursuing its *value for money* strategy in order to gain new customers with high-quality, competitively-priced offers.

In mobile, it offers comprehensive and high-quality services.

In fixed, Bouygues Telecom provides the best value-for-money in the market on both ADSL and FTTH networks, and offers customers a “Keep Connected” guarantee.

In the B2B segment, in addition to mobile and fixed offers, Bouygues Telecom markets an extensive range of security, digital and cloud products and services, both for large corporate accounts and SMEs and intermediate-size businesses.

Excellent quality mobile and fixed networks

The high-quality nationwide coverage of the Bouygues Telecom 4G and 5G networks gives the company a long-term competitive advantage, enabling it to stand out in an extremely competitive market. In 2020, following the 5G auction in France, it acquired a 70 MHz block of frequencies in the 3.5 GHz band, thereby doubling its portfolio of frequencies. Bouygues Telecom now has nearly a quarter of the available spectrum in France. The operator's expertise in network infrastructure enables it to aggregate its frequency bands to offer even faster speeds and improved quality of service.

In 2021, for the eighth consecutive year, the French telecoms regulator Arcep ranked Bouygues Telecom's mobile network as the second best in mainland France .

It is also contributing, for the whole of the sector, to the improvement of the customer experience during the connection to the fibre optic network thanks to the support provided by its white paper^d published in May 2021.

Market position^e

Bouygues Telecom only operates in mainland France.

- In a French Mobile market^e with 77.7 million SIM cards, excluding MtoM, at end-2021, Bouygues Telecom ranked third with 15.1 million customers. This puts it behind Orange and SFR group, and ahead of Free Mobile and the MVNOs . Bouygues Telecom had a 19.4% share of the mobile market at end-2021, up 2.9 points on end-2020.
- In a French fixed market with 31.5 million customers at end-2021, Bouygues Telecom ranked fourth with 4.4 million customers. Bouygues Telecom had a 14.1% share of the market at end-2021, 0.5 points higher than at end-2020. Its share of the superfast market was 15.2% at end-2021, an increase of 0.9 points compared to 2020.

Business activity in 2021

2021 saw Bouygues Telecom successfully pursue its strategy in the mobile and fixed segments. The pace of growth picked up and the commercial and financial performances were solid, in line with the “Ambition 2026” strategic plan. More than ever focused on the needs of its customers, Bouygues Telecom demonstrated its ability to maintain the quality of its networks as use of its services surged.

Commercial activity

The French mobile^a and fixed broadband market^b

In 2021, competitive pressure remained high in both mobile and in fixed. Pressure from rival promotional offers in both segments nevertheless eased compared with previous years.

As the health crisis unfolded, the changes underway on the French telecoms market gathered pace. In both fixed and mobile, the increasing demand for superfast services was confirmed, as shown by the growing requirement from customers for high network quality and more generous data packages.

In the fourth quarter of 2021 the mainland French mobile phone market totalled 77.7 million SIM cards, excluding MtoM . The market continued to expand, increasing by 2.9% versus the fourth quarter of 2020, thanks to a 3.2% increase in the number of plan customers. The prepaid market contracted by a further 0.8% versus Q4 2020.

In the fourth quarter of 2021, the number of fixed broadband and superfast subscribers reached 31.5 million in the French fixed market. This represents net growth of 891,000 subscribers year-on-year (up 2.9%), driven by the sharp acceleration in the number of superfast subscribers, which rose by 25.5%.

Bouygues Telecom’s commercial results in the mobile market

MOBILE SERVICES

Bouygues Telecom offers a full range of high-quality services that address the needs of its customers. “Sensation” mobile plans are available in 515 Bouygues Telecom stores, either as standalone contracts or with the “Smartphone benefits”. The latter enables users to buy new handsets or replace existing ones at attractive prices and with bonus options. B&You SIM-only/no minimum term plans are now available exclusively via the web.

Since June 2020, Bouygues Telecom also offers several 5G Sensation plans and 44 5G-compatible handsets, as well as a B&You 5G plan with no handset or minimum term obligation. A 5G option is also available for subscribers to the B&You 4G plans.

4G AND 5G NETWORK ROLL-OUT

Bouygues Telecom continues to extend its mobile coverage across France with the aim of providing a high-performance network that is accessible to all.

At 31 December 2021, Bouygues Telecom provided 4G coverage to over 99% of the French population from around 22,600 mobile sites. Bouygues Telecom is the operator with the second highest number of 5G sites , with over 5,900 that are technically operational, covering 40 urban centres of more than 100,000 inhabitants and more than 6,600 municipalities, thus ensuring a nationwide coverage.

Bouygues Telecom also continues to develop new applications for 5G and listens to customer feedback with a view to possible future innovations. Bouygues Telecom and Chantiers de l’Atlantique tested 5G in real conditions on the shipbuilder’s site in Saint-Nazaire in October 2021. The shipyard will benefit from its own site-specific 5G coverage from 2022.

COMMERCIAL PERFORMANCE

Bouygues Telecom’s mobile customer base grew by 3.1 million customers year-on-year to 21.8 million customers^e at end-December 2021. Bouygues Telecom gained 2.6 more mobile plan customers (excluding MtoM) year-on-year, giving it a total of 14.8 million at end-2021. This includes 2.1 million BTBD^f customers (integrated on 1 January 2021)

Bouygues Telecom’s commercial results in the fixed broadband market

FIXED BROADBAND OFFERS

Bouygues Telecom’s three fixed broadband offers each target specific customer needs, covering both ADSL and fibre services:

- a 2P offer with “Bbox Fit”;
- a full 3P internet + TV + telephone offer at an attractive price with the “Bbox Must”, and;
- the best of the internet, coupled with the power of fibre and 4K TV, with the “Bbox Ultym” package, which includes the Bbox Wifi 6, voted best box for Wifi 6 .

Since 2020 Bouygues Telecom also offers the first “Bbox Smart TV”, a triple-play offer without a TV decoder, which is replaced by the “B.TV+” application, integrated directly into the Samsung smart TV.

Bouygues Telecom also still markets its “4G box”, which provides quality internet access to French people looking for an alternative to low speed ADSL and who do not yet have access to fibre.

Since 2021, the operator’s “Bbox Ultym Fibre” and “Bbox Ultym Smart TV” also include a “Wifi guaranteed” pledge. This promise guarantees high-quality internet access throughout the home, using the Wifi 6 that is integrated in the Bbox, a Wifi diagnosis service and up to two Wifi 6 repeaters.

(a) Most recent data published by Arcep (the French telecoms regulator) for the “Mainland France” scope, provisional data.

(b) Includes broadband and superfast subscriptions.

(c) Machine To Machine (see Glossary in this document.)

(d) 5G sites that are fully operational. The Mobile Network Observatory by ANFR (France’s National Frequency Agency).

(e) The number of Bouygues Telecom’s customers is always disclosed at the end of the period and net of cancellations, in mobile and fixed.

(f) Bouygues Telecom Business Distribution (formerly EIT or Euro Information Telcom).

(g) In 2020, according to specialist website *01net.com*.

ROLL-OUT OF ADSL AND FIBRE NETWORKS

To provide access to Bouygues Telecom's competitive offers to as many homes as possible, it is speeding up the development of its fixed infrastructure. In doing so, it is expanding its broadband and superfast market shares.

Bouygues Telecom's directly-owned ADSL network covered over 18.8 million households at end-December 2021 via over 2,400 central offices.

In superfast, Bouygues Telecom accelerated the roll-out of its own FTTH network. The signing of co-investment and partnership agreements ensured a total of over 39 million premises secured at end-December 2021. At end-2021, nearly 24.3 million premises had been marketed in over 14,000 municipalities in every part of France.

Bouygues Telecom has also successfully pursued infrastructure investments that have allowed it to reduce the cost of accessing the network and accelerate the fibre roll-out:

- Project Saint-Malo, signed with Cellnex in February 2020, related to the roll-out of a nationwide optical fibre infrastructure (FTTA and FTTO), and
- Project SDAIF, signed with Vauban Infrastructure Partners in April 2020, related to the co-financing of an FTTH network over a large part of the medium-dense area (zone covered by Orange).

At end-2021, a similar preliminary agreement was signed with Vauban Infra Fibre to continue the roll-out of FTTH in medium dense areas (that are covered by SFR) and in PINs (Public Initiative Networks), via the SDFAST project. Completion of this transaction remains dependent on obtaining the usual regulatory approvals.

COMMERCIAL PERFORMANCE

For the past five years, Bouygues Telecom has performed consistently well in the fixed market, posting a market share of 14.1% at end-2021. Bouygues Telecom accounted for 31.2% of overall net growth in France's fixed market in 2021, attracting 278,000 new customers.

At end-December 2021, Bouygues Telecom had 4.4 million fixed broadband customers, of which 2.8 million superfast customers, representing 60% of its customer base. This growth was driven by FTTH, which accounted for 718,000 new customers year-on-year. At end-2021 Bouygues Telecom had 2.3 million FTTH customers. FTTH now represents 52% of Bouygues Telecom's fixed broadband customer base.

Bouygues Telecom's commercial results in the B2B market

Bouygues Telecom ranks third in the corporate services market (SMEs, intermediate-size businesses and major accounts) with a portfolio of nearly four million customers, comprised of over 67,000 SMEs and over half of the companies listed on the CAC 40. In the last five years, the operator has won market share in both the mobile and fixed segments, thanks in part to the acquisitions of Keyyo and OnCloud. In 2021 the mobile business customer base increased by 3% and the fixed customer base grew by 12%.

Financial results

Between 2016 and 2021, Bouygues Telecom maintained strong growth momentum on a French market that has stagnated in value terms. Over this period, total average annual sales growth was 8.8%.

Bouygues Telecom reported sales of €7.3 billion in 2021, 13% higher than the previous year, including BTBD. Sales from services business came to €5.6 billion, up 14% including BTBD and up 5% without it. This performance is consistent with the official guidance for organic growth in sales from services of around 5%. This growth reflects both the increase in the number of mobile and fixed customers and that of the ABPU. More specifically, sales from mobile services and sales from fixed services increased 17% and 8% respectively year-on-year.

The annual ABPU in mobile, after adjustment for the impact of roaming, comes to €20.5 a month per customer, an increase of 50 centimes year-on-year. In fixed, annual ABPU was €28.2 a year per customer, up 40 centimes year-on-year, in a context of strong customer acquisition in FTTH.

EBITDA after Leases came to €1,612 million, up 7%, or by €110 million year-on-year, in line with the guidance. The EBITDA after Leases/sales from services margin stood at 28.9% in 2021, a contraction of 1 point year-on-year, as expected, due to the dilutive impact of integrating BTBD and the shift in the mix caused by the ramp-up of FTTH.

Current operating profit came to €572 million, a drop of €51 million year-on-year, due to an increase in depreciation and amortisation linked to the investment strategy (roll-out of fibre and of 5G, network capacity improvements).

Operating profit stood at €663 million, a year-on-year increase of €12 million. This includes non-current income of €91 million in 2021 (versus €28 million in 2020), due primarily to the capital gain on the sale of data centres.

Net profit totalled €445 million, an increase of €28 million.

Gross investment came to €1,539 million in 2021 and divestments amounted to €208 million (of which €202 million related to the sale of data centres). Bouygues Telecom met its annual guidance for net capex of around €1.3 billion.

Net debt came to €1,734 million at end-2021, down from €1,740 million in 2020.

(a) The in-house code name for this project is Astérix.

(b) Excluding BTBD.

Outlook

The outlook given below assumes that there will be no further deterioration due to the health crisis.

In 2022, Bouygues Telecom will pursue its **“Ambition 2026” strategic plan**, namely to speed up the roll-out of FTTH and mobile coverage and continue integrating BTBD. It has the following targets versus 2021:

- **growth in Sales from services of around 5%**;
- an increase in **EBITDA after Leases of around 7%** in a context of higher expenditure due to the faster roll-out in fixed and improvements to mobile network capacity, and

- **gross capital expenditure confirmed at €1.5 billion** (excluding 5G frequencies) in order to keep pace with growth in the mobile and fixed customer base and in usage.

“Ambition 2026” plan targets

The **“Ambition 2026”** plan targets to be achieved by 2026 are:

- **Sales from services of over €7 billion**;
- **EBITDA after Leases of around €2.5 billion** with an **EBITDA after Leases margin of around 35%**, and.
- **free cash flow^a of around €600 million.**

(a) See Glossary in this document.

1.2.5 Bouygues SA

As the parent company of a diversified group, Bouygues SA focuses mainly on directing and developing the Group and its business segments. It is the place where the decisions are taken that determine the allocation of the Group's financial resources.

1.2.5.1 The shareholding in Alstom

- On 10 March 2021, Bouygues sold 12 million Alstom shares, representing 3.23% of Alstom's share capital, at a price of €41.65 per share through an accelerated book building involving qualified investors. The proceeds of this sale (€492 million net of costs) and the related capital gain (€59 million) were booked to Bouygues' Q1 2021 results.
- On 2 June 2021, Bouygues sold 11 million Alstom shares, representing 2.96% of Alstom's share capital, at a price of €45.35 per share through an accelerated book building involving qualified investors. The proceeds of this sale (€492 million net of costs) and the related capital gain (€93 million) were booked to Bouygues' Q2 2021 results.

As a result, at 31 December 2021, Bouygues owned 0.16% of Alstom's capital.

1.2.5.2 Proposed acquisition of Equans and proposed merger between TF1 and M6

The proposed acquisition of Equans and proposed merger between TF1 and M6 resulted in non-current charges of €23 million in 2021.

1.2.5.3 Services rendered to the business segments

In addition to its role as parent company of the Group, Bouygues SA provides a range of general and expert services to the Group's business segments in areas such as finance, communication, sustainable development, patronage, new technologies, insurance, legal affairs and human resources. For that purpose, Bouygues SA and the main Group

business segments renew annual agreements under which each of the latter can call on general and expert services as necessary.

The amounts invoiced for such services in 2021 are shown in paragraph "1.2.5.3 Financial flows" below and in the Auditors' report on regulated agreements in Chapter 7, section 7.3.1, of this document.

1.2.5.4 Financial flows

FY 2021 dividends

In 2021, Bouygues SA received dividends for FY 2020 totalling €563.3 million from its business segments as follows:

• Bouygues Construction	€151.8m
• Bouygues Immobilier	€0
• Colas	€91.7m
• TF1	€41.4m
• Bouygues Telecom	€270.6m
• Alstom	€0.1m
• Other	€7.7m

• TF1	€3.5m
• Bouygues Telecom	€10.9m

Trademark licence agreements

In 2021, Bouygues SA invoiced its business segments the following amounts under trademark licence agreements:

• Bouygues Construction	€500,000
• Bouygues Immobilier	€250,000
• Bouygues Telecom	€700,000

Service agreement costs

In 2021, Bouygues SA invoiced its business segments the following amounts under shared service agreements:

• Bouygues Construction	€18.9m
• Bouygues Immobilier	€2.6m
• Colas	€18.3m

Flows of funds between the business segments

There are no significant flows of funds between the Bouygues group's business segments. Cash management is centralised within financial subsidiaries wholly owned by Bouygues SA. This arrangement ensures optimum management of financial expenses, since the surplus cash generated by certain subsidiaries can be used in addition to, or in place of, confirmed lines of credit granted by credit institutions to others. When investing surplus cash, Bouygues has always avoided speculative instruments such as securitisation vehicles and high-yield mutual funds.

1.2.5.5 R&D - Human resources

See chapters 1 and 3 of this document.

1.2.5.6 Other activities

Bouygues Europe

Since April 2012 Bouygues Europe, a wholly-owned Belgian subsidiary of Bouygues, has represented the Group's interests within European institutions. Bouygues Europe works for both Bouygues SA and its business segments, advising them and representing them in the European institutions as well as monitoring legislation and regulation on issues of key importance to Group companies. In order to guide its action, Bouygues Europe has set up an advisory committee comprising a representative from Bouygues SA and from each of the Group's five main business segments.

Bouygues Asia

Bouygues Asia KK, a wholly-owned subsidiary of Bouygues SA set up in Tokyo in 2014, is tasked with keeping abreast of technological advances, organising field trips and identifying partners that could collaborate with either Bouygues SA or its business segments. Bouygues Asia's activity is consistent with the Bouygues group's aims of:

- identifying new trends;
- promoting innovation within the Group; and
- supporting Group companies by creating and growing partnerships in Asia.

The activities of Bouygues Asia cover a very wide geographical area that includes China, South Korea, Japan and Taiwan. Bouygues Asia also offers

its assistance and services to customers outside the Group, in particular French SMEs wishing to set up or develop further in Asia.

Bouygues Développement

Bouygues fully owns the Open Innovation company Bouygues Développement. Serving all the Group's business segments, the company's main tasks are to:

- benchmark innovative start-ups working in fields identified by the business segments;
- set up investor pools;
- provide recommendations and advice on investment opportunities;
- coordinate networks of financial partners; and
- support the management of equity interests (governance, entrepreneur coaching, etc.).

C2S

C2S is an IT services company that is a fully-owned subsidiary of Bouygues SA. Its aim is to speed up the adoption and mass production of innovations throughout the Bouygues group and for its external customers. It is its customers' trusted partner when it comes to supporting their commercial development in fields such as smart buildings and cybersecurity. It pledges to provide a full-service offering from consultancy, via software development to operation. C2S also offers turnkey solutions for the roll-out of digital solutions at the grassroots level.

1.2.6 Events since the publication of annual results

On **28 February 2022**, the **TF1** group announced it had signed a purchase agreement to sell the TFX TV channel (channel 11 on DTT) to Altice Media and that it had granted an exclusivity clause in its favour. Completion of the sale is subject in particular to informing and consulting the employee representative bodies, to obtaining clearance from the relevant authorities (the French Competition Authority and Arcom), and to completion of the proposed merger between the TF1 and M6 groups. Consequently, the TFX channel will remain under the full control of the TF1 group throughout 2022. The sale of TFX is tied to the proposed merger between the TF1 and M6 groups announced on 17 May 2021, and would help the combined group comply with legislation stating that no broadcaster may operate more than seven DTT channels.

(a) The French broadcasting authority.

CORPORATE GOVERNANCE 2

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PREAMBLE

This chapter constitutes the report on corporate governance prepared in accordance with the last paragraph of Article L. 225-37 of the Commercial Code. It includes information specified in Articles L. 22-10-8 to L. 22-10-11 as well as Article L. 225-37-4 of the Commercial Code.

This report has been drawn up by the General Counsel of Bouygues in close cooperation with the Group's senior management, taking into consideration the regulations in force, the recommendations of the AMF, the Afep-Medef Corporate Governance Code, the report of the High Committee for Corporate Governance, and best practices adopted by other listed companies.

This report was approved by the Board of Directors on 23 February 2022, after receiving a favourable opinion from the Selection and Remuneration Committee on 15 February 2022.

Corporate governance code

Bouygues refers to the Corporate Governance Code for listed companies (hereafter the Afep-Medef Code). Pursuant to Article L. 22-10-10, paragraph 4 of the Commercial Code, the Company considers that it complies with all the recommendations of the Afep-Medef Code.

The Afep-Medef Code, which was updated in January 2020, is available on the Medef website at www.medef.com and on the Afep website at www.afep.com. It is also included as an appendix to the Rules of Procedure of the Board of Directors available on the www.bouygues.com website.

Derogation from Afep-Medef Code	Explanation
Not applicable.	

The Board of Directors at 31 December 2021

DIRECTORS FROM THE SCDM GROUP ^a



MARTIN BOUYGUES
Chairman of the Board of Directors ^b



OLIVIER BOUYGUES
Director



EDWARD BOUYGUES
Standing representative of SCDM



CYRIL BOUYGUES
Standing representative of SCDM Participations

INDEPENDENT DIRECTORS ^c



PASCALINE DE DREUZY ^d
Company director



CLARA GAYMARD
Co-founder of Raise



COLETTE LEWINER
Advisor to the Chairman of Capgemini



BENOÎT MAES
Director



ROSE-MARIE VAN LERBERGHE
Vice-Chairwoman of Klépierre

DIRECTORS REPRESENTING EMPLOYEES AND EMPLOYEE SHAREHOLDERS



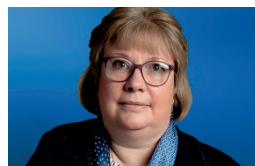
BERNARD ALLAIN
Director representing employees



BÉATRICE BESOMBES
Director representing employees



RAPHAËLLE DEFLESSELLE
Director representing employee shareholders



MICHÈLE VILAIN
Director representing employee shareholders

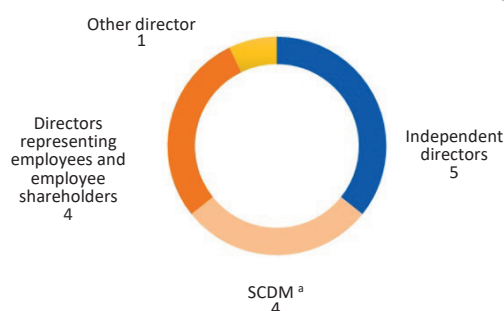


ALEXANDRE DE ROTHSCHILD
Executive Chairman of Rothschild & Co Gestion

EXTERNAL NON-INDEPENDENT DIRECTOR

KEY FIGURES FOR THE BOARD

at 31 December 2021



50%
Independent directors ^e

40%
Women directors ^e

73%
Women on committees

58.5
Average age of directors

10
Number of Board meetings

96.5%
Attendance rate at Board meetings

(a) SCDM is a simplified limited company controlled by Martin Bouygues, Olivier Bouygues and their families.

(b) Before 17 February 2021, Martin Bouygues was Chairman and Chief Executive Officer. With effect from 17 February 2021, Martin Bouygues holds office as Chairman of the Board of Directors.

(c) Directors considered independent by the Board of Directors.

(d) Pascaline de Dreuzy has been a director since 22 April 2021, replacing Anne-Marie Idrac.

(e) Excluding directors representing employees and employee shareholders.

Group Management Committee at 1 January 2022

Bouygues SA

The parent company has a significant presence on the Boards of each of the Group's five business segments, enabling it to help define their strategy and play an active part in making their important decisions.



OLIVIER ROUSSAT
Chief Executive Officer



EDWARD BOUYGUES
Deputy CEO
Telecoms Development,
CSR and Innovation



PASCAL GRANGÉ
Deputy CEO
Chief Financial Officer



JEAN-MANUEL SOUSSAN
Senior Vice-President,
Human Resources Director



Senior management of the business segments

The business segment heads attend Bouygues Board meetings.



PASCAL MINAULT^a
Chairman and CEO
of Bouygues Construction



BERNARD MOUNIER^b
Chairman
of Bouygues Immobilier



FRÉDÉRIC GARDES
Chairman and CEO
of Colas



GILLES PÉLISSON
Chairman and CEO
of TF1



BENOÎT TORLOTING^c
CEO
of Bouygues Telecom



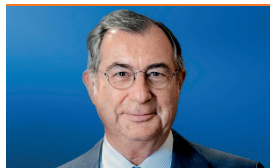
(a) On 24 August 2021, Pascal Minault took over as Chairman and Chief Executive Officer of Bouygues Construction, replacing Philippe Bonnavé who retired.

(b) On 19 February 2021, Bernard Mounier took over from Pascal Minault as Chairman of Bouygues Immobilier.

(c) Benoît Torloting was appointed Chief Executive Officer of Bouygues Telecom with effect from 1 January 2022, Richard Viel retains office as Chairman of the Board of Directors of Bouygues Telecom.

2.1 INFORMATION ON CORPORATE OFFICERS AT 31 DECEMBER 2021

Chairman of the Board of Directors



MARTIN BOUYGUES

Expertise/experience

Martin Bouygues joined the Bouygues group in 1974 as a works supervisor. In 1978, he established Maison Bouygues, specialising in the sale of catalogue homes. In 1987, Martin Bouygues was appointed Vice-Chairman of the Bouygues Board of Directors, on which he has served since 1982. In September 1989, Martin Bouygues took over from Francis Bouygues as Chairman and CEO of Bouygues. At Martin Bouygues' instigation, the Group pursued its development in construction as well as in media (TF1) and launched Bouygues Telecom in 1996. In 2006, Bouygues acquired a stake in Alstom. On 17 February 2021, Martin Bouygues was appointed Chairman of the Bouygues Board of Directors.

Principal position outside Bouygues SA

Chairman of SCDM.

Other positions and functions in the Group

In France: Member of the Board of Directors of the Francis Bouygues Foundation.

Other positions and functions outside the Group

In France: Member of the supervisory board of Domaine Henri Rebourseau.

Former positions and functions during the last five years

2021 – Chief Executive Officer of Bouygues ^a.

2020 – Director of TF1 ^a.

2019 – Member of the Board of Directors of the Skolkovo Foundation (Russia).

2018 – Standing representative of SCDM, Chairman of Actiby.

Date of birth:

3 May 1952

Nationality: French

Professional address:

32 avenue Hoche

75008 Paris

First appointment to Board:

21 January 1982

Expiry of term of office: 2024

Shares held: 369,297

(92,600,000 via SCDM and

SCDM Participations)

Attendance rate at

Board meetings:

100%

(a) Listed company.

Chief Executive Officer



OLIVIER ROUSSAT

Expertise/experience

Olivier Roussat is a graduate of INSA – Lyon. He began his career in 1988 at IBM, where he held a number of positions in data network services, service delivery and pre-sales. He joined Bouygues Telecom in 1995 to set up the network management centre and network processes. He then became head of network operations, and telecoms and IT service delivery. In May 2003, he was appointed network manager and became a member of the Executive Committee of Bouygues Telecom. In January 2007, Olivier Roussat took charge of the performance and technology unit which groups Bouygues Telecom's cross-disciplinary technical and IT departments, including networks, information systems, process engineering, purchasing, corporate services and property development. Olivier Roussat became Deputy Chief Executive Officer of Bouygues Telecom in February 2007 and was appointed Chief Executive Officer in November 2007. He was then Chairman and Chief Executive Officer of Bouygues Telecom from May 2013 to November 2018, before becoming Chairman of the Board of Directors of Bouygues Telecom until February 2021. He was Chairman of the Board of Directors of Colas from October 2019 until February 2021. On 30 August 2016, Olivier Roussat was appointed Deputy CEO of Bouygues and on 17 February 2021, he was appointed Chief Executive Officer of Bouygues.

Other positions and functions in the Group

In France: Director of Bouygues Construction, Colas ^a TF1 ^a and Bouygues Telecom; member of the Board of Bouygues Immobilier.

Former positions and functions during the last five years

2021 – Deputy CEO of Bouygues ^a Chairman of the Boards of Directors of Colas ^a and Bouygues Telecom.

2018 – CEO of Bouygues Telecom.

Date of birth:

13 October 1964

Nationality:

French

Professional address:

32 avenue Hoche

75008 Paris

(a) Listed company.

Deputy CEO



Date of birth:

22 February 1961

Nationality: French

Professional address:

32 avenue Hoche
75008 Paris

PASCAL GRANGÉ

Expertise/experience

Pascal Grangé has a master's in management, a master's in law and a DESS postgraduate diploma in finance. He joined the Bouygues group in 1986 as finance manager of Dragages et Travaux Publics. In 1987, he moved on to the Bouygues group's International Finance Department, then joined Screg as Chief Financial Officer in 1995 before serving as Chief Financial Officer of Stereau and Saur France. He became Chief Financial Officer of the Saur group in 2000. He was appointed Chief Financial Officer of Bouygues Construction in 2003, before being promoted to Deputy CEO in 2008. In March 2015, he was appointed Deputy CEO with responsibility for Strategy and Finance, Information Systems, Concessions and Strategic Reflection on Property Development at Bouygues Construction. On 1 October 2019, he was appointed Senior Vice-President and Chief Financial Officer of the Bouygues group. On 17 February 2021, he was appointed Deputy CEO of Bouygues and continues to serve as Chief Financial Officer for Bouygues.

Principal position outside Bouygues SA

Standing representative of Bouygues on the Board of Directors of Alstom ^a.

Other positions and functions in the Group

In France: Standing representative of Bouygues on the Boards of Directors of Bouygues Construction, Colas ^a, TF1 ^a and Bouygues Telecom; standing representative of Bouygues on the Board of Bouygues Immobilier.

Outside France: Chairman of Uniservice (Switzerland); director of Bouygues Europe (Belgium).

Former positions and functions during the last five years

2021 – Chairman of the Board of Directors of Bouygues Europe (Belgium).

2020 – Director of Bouygues Construction.

2019 – Deputy CEO of Bouygues Construction.

(a) Listed company.

Deputy CEO
Standing representative of SCDM



EDWARD BOUYGUES

Expertise/experience

Edward Bouygues is a graduate of ESSCA, Angers (specialising in banking and finance) and holds an MBA from the London Business School. After having spent five years as a works supervisor, and in marketing at Bouygues Construction, he joined Bouygues Telecom in February 2014 as Head of Marketing. He was then Director of Marketing, with responsibility for services, content and product design, before being appointed CEO of RCBT (Club Bouygues Telecom store network) in February 2017. Since January 2019, he has been a member of the Bouygues Telecom Executive Committee and Vice-President of Development at Bouygues Telecom since February 2021. On 17 February 2021, he was appointed Deputy CEO of Bouygues.

Principal positions outside Bouygues SA

Vice-President of Development at Bouygues Telecom.

Other positions and functions in the Group

In France: Chairman of Bouygues Telecom Flowers and Bouygues Telecom Initiatives; director of Bouygues Telecom.

Outside France: Chairman of the Board of Directors of Bouygues Europe (Belgium).

Other positions and functions outside the Group

In France: Director of Heling.

Date of birth:

14 April 1984

Nationality: French

Professional address:

32 avenue Hoche
75008 Paris

First appointment to Board:

21 April 2016

Attendance rate at

Board meetings:

100%

Directors



Date of birth:
3 August 1957
Nationality: French
Professional address:
13-15 avenue du Maréchal Juin
92360 Meudon-la-Forêt
First appointment to Board:
4 June 2020
Expiry of term of office: 2022
**Attendance rate at
Board meetings:**

100%

**Attendance rate at
Selection and Remuneration
Committee meetings:**

100%

BERNARD ALLAIN

Director representing employees
Member of the Selection and Remuneration Committee

Expertise/experience

Bernard Allain holds diplomas in civil engineering, economics and information technology. He joined Bouygues Telecom in 1999, where he held various managerial positions within the information systems division up to 2005. In 2006, he was appointed head of technical projects within the operations division at Bouygues Telecom Entreprises. Since 2016, he has been Director of Information Systems Projects within the architecture governance projects division at Bouygues Telecom. Bernard Allain has also been involved in employee representative bodies for a number of years.

Principal position outside Bouygues SA

Director of Information Systems Projects at Bouygues Telecom.



Date of birth:
23 July 1966
Nationality: French
Professional address:
1 avenue Eugène-Freyssinet
78280 Guyancourt
First appointment to Board:
4 June 2020
Expiry of term of office: 2022
**Attendance rate at
Board meetings:**

90%

BÉATRICE BESOMBES

Director representing employees

Expertise/experience

Béatrice Besombes joined the Bouygues group in 1991 as manager of the audiovisual department at Siemephone (a Bouygues Energies & Services subsidiary). Between 1993 and 2000, she was financial controller in the public works equipment department at Bouygues Travaux Publics. She then held various managerial positions within the finance departments of Bouygues Bâtiment Ile-de-France between 2000 and 2010. In 2010, she was appointed Deputy Director Financial Control, charged with reporting for Bouygues Bâtiment Ile-de-France. Since September 2016, she has been Deputy Director Financial Control, charged with reporting for the Bouygues Construction group.

Principal position outside Bouygues SA

Deputy Director Financial Control at Bouygues Construction.



OLIVIER BOUYGUES

Expertise/experience

Olivier Bouygues is a graduate of École Nationale Supérieure du Pétrole (ENSPM) and joined the Bouygues group in 1974. He began his career in the Group civil works branch. From 1983 to 1988 at Bouygues Offshore ^a, he held the posts of director of Boscarn, a Cameroon subsidiary, then director of the France Works and Special Projects division. From 1988 to 1992, he was Chairman and CEO of Maison Bouygues. In 1992, he became Group Executive Vice President of Utilities Management, which grouped the international and French activities of Saur ^b. He has held a seat on the Bouygues Board of Directors since 1984. From 2002 to 31 August 2020, he was Deputy CEO of Bouygues.

Principal position outside Bouygues SA

Chairman of SCDM Domaines.

Other positions and functions in the Group

In France: Director of Colas ^c, TF1 ^c and Bouygues Telecom; non-voting director of Bouygues Construction; member of the Board of Bouygues Immobilier.

Other positions and functions outside the Group

In France: Chairman and director of Heling and of Heling Invest-1.

Outside France: Chairman and CEO, and director of Seci (Ivory Coast).

Former positions and functions during the last five years

2021 – Director of Alstom ^c; sole director of SCDM Energy Limited (United Kingdom).

2020 – Deputy CEO of Bouygues; CEO of SCDM; Chairman of the Board of Directors of Bouygues Europe (Belgium).

2017 – Chairman of Sagri.

Date of birth:

14 September 1950

Nationality: French

Professional address:

32 avenue Hoche

75008 Paris

First appointment to Board:

5 June 1984

Expiry of term of office: 2022

Shares held: 518,021

(92,600,000 via SCDM and

SCDM Participations)

Attendance rate at

Board meetings:

90%

(a) Bouygues' oil and gas services activity, sold to Saipem in 2002.

(b) Bouygues' utilities subsidiary, sold to PAI Partners in 2004.

(c) Listed company.



RAPHAËLLE DEFLESSELLE

Director representing employee shareholders
Member of the Ethics, CSR and Patronage Committee

Expertise/experience

Raphaëlle Deflesselle is an engineering graduate of École Polytechnique Féminine (EPF). She joined Bouygues Telecom in 1996. She took part in implementing network oversight tools in the network operations department. She then held various managerial positions in the technical departments from 1999 to 2009. In 2010, she was appointed head of the performance department within the Information Systems Division, before becoming head of IT infrastructures in 2013. She was then Director, IT Governance, Research and Transformation within the Information Systems Division at Bouygues Telecom until 2019 before being appointed Director of Operations and Projects at Bouygues Telecom Entreprises in June 2019.

Principal position outside Bouygues SA

Director of Operations and Projects at Bouygues Telecom Entreprises.

Date of birth:

27 April 1972

Nationality: French**Professional address:**

13-15 avenue du Maréchal Juin
92360 Meudon-la-Forêt

First appointment to Board:

20 May 2014

Expiry of term of office: 2022**Attendance rate at****Board meetings:**

100%

Attendance rate at**Ethics, CSR and Patronage****Committee meetings:**

100%



PASCALINE DE DREUZY

Independent director (since 22 April 2021)

Member of the Selection and Remuneration Committee (since 22 April 2021)

Member of the Audit Committee (since 22 April 2021)

Expertise/experience

Pascaline de Dreuzy holds an EMBA from HEC and a company director diploma from Sciences Po-IFA, and has completed the financial analysis and corporate valuation modules of the Corporate Finance Certificate at ICCF-HEC. She has worked in many different spheres, each of which tackles core human issues. By transposing her experience between sectors, she has created synergies between apparently unconnected fields. She was the Chair and founder of P2D Technology, a company that combines human and digital in preventive medicine for certain illnesses and the remote monitoring of vulnerable patients. She has built bridges between industry and healthcare by identifying new technologies and promoting the use of artificial intelligence. She is an investor in connected health care start-ups. From 2011 to 2013 she was a doctor-manager at strategy consulting firms (ANAP, Arthur Hunt). She was involved in the corporate world from an early age as a director of one of the family holding companies that controls the PSA group. She is extremely committed to corporate governance: at the end of her term of office on the Board of Institut Français des Administrateurs (French Institute of Directors) she joined the institute's expert groups on ESG, Integrated Reporting, Risk Appetite, Family Company Governance and the Role of Boards in Climate Issues; she also heads up one of the Institute's training modules.

A doctor at Hôpitaux de Paris, Pascaline de Dreuzy has been overseeing innovative and pioneering cross-functional projects at the Necker-Enfants Malades hospital group for more than 25 years. She has taken part in crisis management seminars with SAMU de Paris (first responders), PGHM de Chamonix (mountain rescue) and GIGN (the French police elite tactical unit). She is a Knight of the Légion d'Honneur.

Principal position outside Bouygues SA

Company director.

Other positions and functions outside the Group

In France: Director, member of the Investments and Shareholding Committee of Peugeot Invest; director, member of the Audit Committee of the Sèche Environnement group ^a; member of the Expert Committee of the Innovation Investment Fund (life sciences, digital and ecotechnologies) at BPI France; director of the Fondation Hugot of the Collège de France, and of Fondation Mallet; member of Cercle Charles Gide – Protestants pour une économie responsable.

Former positions and functions during the last five years

2021 – Director of TF1 ^a.

2019 – Director of Samu Social International.

2018 – Director of Navya ^a.

2017 – Director of Diaconesses-Croix Saint-Simon Hospital group.

Date of birth:

5 September 1958

Nationality: French

Professional address:

32 avenue Hoche
75008 Paris

First appointment to Board:

22 April 2021

Expiry of term of office: 2024

Shares held: 750

Attendance rate at

Board meetings:

100%

Attendance rate at

Selection and Remuneration
Committee meetings:

100%

Attendance rate at

Audit Committee meetings:

100%

(a) Listed company.



CLARA GAYMARD

Independent director
Member of the Audit Committee
Member of the Ethics, Patronage and CSR Committee (since April 2021)

Expertise/experience

Clara Gaymard is a graduate of Institut d'Études Politiques de Paris (IEP). She was an administrative officer at the office of the mayor of Paris from 1982 to 1984, before joining École Nationale d'Administration (ENA). Graduating from ENA in 1986, she joined the Cour des Comptes state audit office as an auditor and in 1990 was promoted to public auditor. She was then appointed head of the European Union office at the External Economic Relations department (DREE) of the French Ministry of Finance. In 1995, she was named chief of staff at the Ministry of Intergenerational Solidarity. From 1996 to 1999, she served as deputy head in charge of support for small- and medium-sized businesses and regional initiatives at DREE. In February 2003, she became Ambassador for International Investment and Chair of the French Agency for International Investments (AFII). She joined the General Electric group in 2006, where she was appointed Chair and CEO of GE France, then GE Northwest Europe in 2008. In 2009, she was appointed Vice-Chair of GE International responsible for key public accounts and in 2010 as Vice-Chair responsible for governments and cities. As Chair and CEO of GE France, she participated, from 2014 to 2016, in the acquisition of Alstom's Energy business. She left the General Electric group in January 2016 to join on a full-time basis Raise which she founded in January 2014 with Gonzague de Blignières.

Principal position outside Bouygues SA

Co-founder of Raise.

Other positions and functions outside the Group

In France: Director of Danone ^a, LVMH ^a, Veolia Environnement ^a and Sages.

Former positions and functions during the last five years

2021 – Chair of the RaiseSherpas Endowment Fund.

2018 – Chair of the Women's Forum.

2017 – CEO of Raise Conseil.

Date of birth:

27 January 1960

Nationality: French

Professional address:

138 bis rue de Grenelle
75007 Paris

First appointment to Board:

21 April 2016

Expiry of term of office: 2022

Shares held: 500

Attendance rate at

Board meetings:

100%

Attendance rate at

Audit Committee meetings:

100%

Attendance rate at

Ethics, CSR and Patronage
Committee meetings:

100%

(a) Listed company.



COLETTE LEWINER

Independent director
Member of the Selection and Remuneration Committee

Expertise/experience

Colette Lewiner is a graduate of École Normale Supérieure and holds the prestigious rank of “agrégée” teacher in physics, as well as a PhD in science. She began her career in research and teaching at Université de Paris VII. She joined EDF in 1979, where she worked in the Research and Development department. In 1987, she was appointed head of the fuel procurement department at EDF. In 1989, she created the development and commercial strategy division and was the first woman to be appointed Senior Vice President at EDF. In 1992, she was appointed Chairwoman and CEO of SGN-Réseau Eurisys, Cogema’s engineering subsidiary. In 1998, she joined Capgemini, where she headed the Global Energy, Utilities and Chemicals sector, before becoming Advisor to the Chairman on matters regarding energy and utilities. Between 2010 and 2015, she was non-executive Chairwoman of TDF. From 2008 to 2012, she was a member of the European Union Advisory Group on Energy. Between 2013 and 2017, she was a member of the Conseil Stratégique de la Recherche (CSR), a committee charged with advising the French government on research and innovation strategy.

Principal position outside Bouygues SA

Advisor to the Chairman of Capgemini ^a on matters regarding energy and utilities ^b.

Other positions and functions in the Group

In France: Director of Colas ^a.

Other positions and functions outside the Group

In France: Independent director of CGG ^a, EDF ^a and Getlink ^a.

Former positions and functions during the last five years

2020 – Director of Nexans ^a.

2018 – Director of Ingenico ^a.

Date of birth:

19 September 1945

Nationality: French**Professional address:**

32 avenue Hoche
75008 Paris

First appointment to Board:

29 April 2010

Expiry of term of office:

2022

Shares held: 12,685**Attendance rate at****Board meetings:**

100%

Attendance rate at**Selection and****Remuneration Committee****meetings:**

100%

(a) Listed company.

(b) Water, electricity and other public services.



BENOÎT MAES

Independent director
Chairman of the Audit Committee
Member of the Selection and Remuneration Committee

Expertise/experience

Benoît Maes is a graduate of École Nationale Supérieure des Mines de Paris and an engineer of the Corps des Mines. He started his career in 1982 at the French Industry Ministry, as head of industrial development for the French Department of Industry for the Central France region. He was assistant to the Secretary General before becoming Secretary General of the Observatoire de l'Énergie from 1985 to 1988, then technical adviser to the office of the Minister for Industry and Regional Development from 1988 to 1991. In 1991, he joined the Gan-Groupama group, where he held several operational and financial posts, notably within the group general audit and actuarial division at Groupama, as well as senior management positions at Gan Assurances and Groupama Gan Vie. From 2011 to 2017, he was group Chief Financial Officer of Groupama SA.

Date of birth:

30 July 1957

Nationality: French

Professional address:

32 avenue Hoche
75008 Paris

First appointment to Board:

23 April 2020

Expiry of term of office: 2023

Shares held: 2,000

Attendance rate at

Board meetings:

100%

Attendance rate at

Audit Committee meetings:

100%

Attendance rate at

Selection and Remuneration
Committee meetings:

100%



ALEXANDRE DE ROTHSCHILD

Expertise/experience

Alexandre de Rothschild is a graduate of École Supérieure du Commerce Extérieur (ESCE). He began his career in 2004 as a financial analyst at Bear Stearns in New York. From 2005 to 2008, he was a manager for the Private Equity department of Argan Capital in London, then Deputy Head of Strategy at Jardine Matheson in Hong Kong. He joined the Rothschild & Co Group^a in 2008 to set up the Merchant Banking Division. Since 2011, he has been member of the Rothschild & Co Group Executive Committee. In 2013, he was appointed managing partner of Rothschild & Cie Banque (now Rothschild Martin Maurel) and of Rothschild & Cie and is a member of several boards and committees within the Rothschild & Co Group. In 2014, he joined the management board of Rothschild & Co Gestion, on which he became Executive Deputy Chairman in March 2017. He has been Executive Chairman of Rothschild & Co Gestion, managing partner of Rothschild & Co since May 2018.

Date of birth: 3 December 1980

Nationality: French

Professional address:
23 bis avenue de Messine
75008 Paris

First appointment to Board:
27 April 2017

Expiry of term of office: 2023

Shares held: 500

Attendance rate at

Board meetings:

88%

Principal position outside Bouygues SA

Executive Chairman of Rothschild & Co Gestion, managing partner of Rothschild & Co.

Other positions and functions outside the Group

In France: Chairman of K Développement SAS, Rothschild Martin Maurel Associés SAS, SCS Holding SAS, Financière Rabelais SAS, Rothschild & Co Commandité SAS, Aida SAS, Cavour SAS, Verdi SAS and Financière de Tournon SAS; director of Rothschild & Co Concordia SAS; managing partner of RCB Partenaires SNC, Société Civile du Haras de Reux SC and SCI 66 Raspail; general managing partner of Rothschild & Cie SCS and Rothschild Martin Maurel SCS; member of the supervisory board of Martin Maurel SA; standing representative of Rothschild & Co Gestion SAS, managing partner of RMM Gestion SNC.

Outside France: Chairman of the Board of Directors of Rothschild & Co Continuation Holdings AG (Switzerland); member of the Board of Directors of Rothschild & Co Japan Ltd (Japan).

Former positions and functions during the last five years

2019 – Vice-Chairman and director of the Board of Directors of Rothschild & Co Bank AG (Switzerland); member of the board of directors of Rothschild & Co Concordia AG (Switzerland) and Rothschild Holding & Co AG (Switzerland).

2018 – Deputy Chairman of the management board of Rothschild & Co Gestion SAS; director of Five Arrows (Scotland) and General Partner Ltd (Scotland).

2017 – Member of the Board of Directors of Treilhard Investissements SA; general partner of Rothschild & Compagnie Gestion SCS.

(a) Listed company.



ROSE-MARIE VAN LERBERGHE

Independent director
Chairwoman of the Ethics, CSR and Patronage Committee (since 22 April 2021)

Expertise/experience

Rose-Marie Van Lerberghe is a graduate of École Normale Supérieure and École Nationale d'Administration, and holds the prestigious rank of "agrégée" teacher in philosophy. She is also a graduate of Institut d'Études Politiques de Paris (IEP) and INSEAD, and has a degree in history. After holding various positions at the French Ministry of Labour in 1986 Rose-Marie Van Lerberghe joined the Danone group, where she successively headed two subsidiaries before becoming Director of Human Resources of the Danone group from 1993 to 1996. In 1996, she became Delegate General for Employment and Vocational Training at the French Ministry of Labour and Social Affairs. She was then Chief Executive Officer of Altédia from 2000 to 2002, before becoming Director General of Assistance Publique – Hôpitaux de Paris from 2002 to 2006. From 2006 to 2011, she chaired the Korian management board. From 2007 to 2008, she sat on the French Commission charged with drawing up proposals for the French Alzheimer's Plan. In 2009, she joined the KPMG strategy committee. From 2011 to 2015, she was a member of the Conseil Supérieur de la Magistrature (High Council for the Judiciary), appointed as a prominent figure from outside the Judiciary. She was Chairwoman of the Board of Directors of Institut Pasteur from 2013 to 2016 and has been Vice-Chairwoman of the supervisory board of Klépierre since June 2017.

Principal position outside Bouygues SA

Vice-Chairwoman and member of the supervisory board of Klépierre ^a.

Other positions and functions outside the Group

In France: Director of CNP Assurances ^a and Fondation Hôpital Saint-Joseph; Chairwoman of the Board of Directors of Orchestre des Champs-Élysées.

Former positions and functions during the last five years

2018 – Senior Advisor to BPI Group.

Date of birth:

7 February 1947

Nationality: French

Professional address:

32 avenue Hoche
75008 Paris

First appointment to Board:

25 April 2013

Expiry of term of office: 2022

Shares held: 531

Attendance rate at

Board meetings:

90%

Attendance rate at

Ethics, CSR and Patronage

Committee meetings:

100%

(a) Listed company.



MICHÈLE VILAIN

Director representing employee shareholders
Member of the Audit Committee

Expertise/experience

Michèle Vilain joined Bouygues Immobilier in 1989, holding various positions in the IT and Office Automation department, including responsibility for customer services. She then took charge of customer relations within the Support Functions division before becoming Deputy Director supporting change management within the Residential Property France division for two years. She was then responsible for Human Resources digital projects and Opéra IT project rollout. She is currently Director, Workplace Environment.

Principal position outside Bouygues SA

Director, Workplace Environment at Bouygues Immobilier.

Date of birth:

14 September 1961

Nationality: French

Professional address:

3 boulevard Gallieni
92130 Issy-les-Moulineaux

First appointment to Board:

29 April 2010

Expiry of term of office: 2022

Attendance rate at

Board meetings:

100%

Attendance rate at

Audit Committee meetings:

100%

SCDM, REPRESENTED BY EDWARD BOUYGUES ^a

Other positions and functions in the Group

In France: Director of TF1 ^b and GIE 32 Hoche.

Address:

32 avenue Hoche
75008 Paris

First appointment to Board:

22 October 1991

Expiry of term of office:

2022

Shares held: 92,500,000

Other positions and functions outside the Group

In France: Chair of SCDM Participations.

Former positions and functions during the last five years

2018 – Chair of Actiby.

(a) See above in this section for the full career résumé of Edward Bouygues.

(b) Listed company.

SCDM PARTICIPATIONS, REPRESENTED BY CYRIL BOUYGUES

Address:

32 avenue Hoche
75008 Paris

First appointment to Board:

21 April 2016

Expiry of term of office: 2022

Shares held: 100,000



CYRIL BOUYGUES

Expertise/experience

Cyril Bouygues is a graduate of Institut Supérieur de Gestion (ISG) and holds a Harvard Master in Public Administration. He held the post of works supervisor at Bouygues Construction, then head of projects at Bouygues Immobilier, before becoming Director of hydrocarbon exploration and production projects at Investaq Energie (SCDM group) in October 2014. In October 2016, he was appointed Head of Strategy and Development at SCDM Energy Limited. He was then Director of Strategy at Heling from 1 July 2021 and was appointed Chief Executive Officer of Heling on 1 February 2022.

Principal position outside Bouygues SA

Head of Strategy at Heling.

Other positions and functions in the Group

In France: Member of the Board of Bouygues Immobilier.

Other positions and functions outside the Group

In France: Founder of the Be Brilliant philanthropic endowment fund (Paris, France).

Outside France: Director de Perinti Ltd (United Kingdom).

Date of birth:

31 January 1986

Nationality: French

Professional address:

21-25 rue Balzac
75008 Paris

First appointment to Board:

21 April 2016

Attendance rate at

Board meetings:

90%

2.2 GOVERNANCE STRUCTURE

Chairman

The Chairman organises and directs the work of the Board of Directors, and ensures that the company's management bodies function properly. He is elected by the Board from among those of its members who are natural persons.

Chief Executive Officer

The Chief Executive Officer assumes responsibility for the executive management of the company.

The Board assigns this role either to the Chairman of the Board or to any other natural person, who may or may not be a director.

Changes to the governance structure of executive management

In 2002, the Board of Directors opted not to separate the offices of Chairman and Chief Executive Officer. The Board consistently renewed that option until May 2020. Martin Bouygues therefore fulfilled a dual role as Chairman of the Board of Directors and Chief Executive Officer.

The Board took the view that combining the offices of Chairman and Chief Executive Officer promoted effective governance, particularly in view of the Bouygues group's organisational structure.

Acting on a proposal from Martin Bouygues and a recommendation from the Selection and Remuneration Committee, the Board meeting of 17 February 2021 decided to separate the offices of Chairman and Chief Executive Officer with immediate effect.

The Board took the view that separating these offices was the most appropriate governance structure for ensuring the management transition between Martin Bouygues, who was confirmed in his role as Chairman of the Board of Directors, and Olivier Roussat, the new Chief Executive Officer. Martin Bouygues wanted to open the way for the next generation of executive officers. Under this structure, the new Chief Executive Officer benefits from the support of the former Chairman and Chief Executive Officer, and both their individual skills and experience can be harnessed. The structure also ensures that any changes in the Group's strategy are made in line with the Group's culture and values.

In addition, acting on a proposal from Olivier Roussat and a recommendation from the Selection and Remuneration Committee, the Board meeting of

17 February 2021 also appointed Edward Bouygues and Pascal Grangé to serve as Deputy Chief Executive Officers for a term of three years, with immediate effect.

With effect from 17 February 2021, Martin Bouygues is thus Chairman of the Board of Directors and Olivier Roussat Chief Executive Officer of Bouygues (the Group's parent company), supported in his executive management role by Edward Bouygues and Pascal Grangé, Deputy Chief Executive Officers.

However, Olivier Roussat does not have executive power over any of the Group's five business segments (Bouygues Construction, Bouygues Immobilier, Colas, TF1 and Bouygues Telecom), which is vested in the executive directors of said business segments. Consequently, Olivier Roussat does not combine operational responsibility for these subsidiaries with his other roles. While Bouygues and its Executive Officers pay close attention to matters that have a major impact on the Group, this does not mean they are substituting themselves for the governance bodies of the Group's business segments.

There is no senior independent director or Vice-Chairman. Relations with shareholders – especially as regards corporate governance – are handled by the Executive Officers, the General Counsel and the Investor Relations department, and comply with market conduct principles and with the principle of equal access to information.

Remit of the Chairman of the Board of Directors

With effect from 17 February 2021, Martin Bouygues holds solely office as Chairman of the Board of Directors.

When separating the office of Chairman from that of Chief Executive Officer, the Board of Directors decided that – given the Chairman of the Board's in-depth knowledge of the Bouygues group, experience, and expertise – he would be given a specific remit. This remit is clearly laid down by the Board in its Rules of Procedure. It is perfectly aligned with the management transition process. The remit does not allow Martin Bouygues to bind the company with third parties, since the Chief Executive Officer alone holds executive powers and has operational management responsibility for the company.

Under his remit, the Chairman of the Board of Directors may represent the Bouygues group in its dealings with its principal partners and institutions, as well as in high-profile national and international relationships given his name, reputation, experience and the role he has played in the Group's development. The executive management of the company it falls solely within the remit of the Chief Executive Officer, with the assistance of the two Deputy Chief Executive Officers.

In accordance with the articles of association and with the Rules of Procedure of the Board of Directors, the remit of the Chairman of the Board of Directors is as follows:

- he organises and directs the work of the Board of Directors, for which he is accountable to the general meeting of shareholders, whose meetings he chairs;
- he ensures that the company's management bodies function properly, and that the directors are able to fulfil their duties;
- he represents the Group, in particular in its dealings with official bodies, institutions, governmental authorities and stakeholders;

- he represents the Group in its dealings with major customers and partners;
- he is kept informed regularly by the Chief Executive Officer of significant events in the Group's affairs, and may request from the Chief Executive Officer any information that may enlighten the Board and its committees;
- he is involved in dialogue with shareholders;
- he takes part in internal meetings on strategic issues; and
- he may assume any other role that the Board of Directors confers upon him.

Limitations on the powers of the Chief Executive Officer

With effect from 17 February 2021, Oliver Roussat holds office as Chief Executive Officer.

In accordance with law and the articles of association, the Chief Executive Officer has the broadest possible powers to act on the company's behalf under all circumstances. He exercises those powers within the confines of the corporate purpose and subject to powers expressly granted by law to general meetings of shareholders or to the Board of Directors. He represents the company in its relations with third parties.

A number of practices have for several years contributed to ensuring the proper governance of the company and to limiting the powers of the Chief Executive Officer:

- the Rules of Procedure set forth rules governing the operation of the Board of Directors and the rules of conduct applying to directors, and are published on the corporate website;

- three specialised committees, each of them chaired by an independent director, are tasked with preparing the work of the Board in the following areas: selection and remuneration of senior executives; accounting and audit; and ethics, CSR and patronage;
- a significant proportion of independent directors sit on the Board and on each committee;
- directors representing employees or employee shareholders sit on the Board and on each committee;
- the directors meet annually without executive directors or internal directors being present;
- Compliance Programmes are enforced, including one on conflicts of interest and another on financial information and securities trading;
- regulated agreements are governed by an internal charter, which is published on the company's website.

Deputy Chief Executive Officers

The articles of association state that on a proposal from the Chief Executive Officer, the Board of Directors may appoint up to five natural persons, who may or may not be directors, as Deputy Chief Executive Officers to assist the Chief Executive Officer.

With effect from 17 February 2021, Olivier Roussat, Chief Executive Officer, is assisted by two Deputy Chief Executive Officers, Edward Bouygues and Pascal Grangé.

2.3 BOARD OF DIRECTORS

2.3.1 Composition of the Board of Directors

2.3.1.1 Principles governing the composition of the Board

The importance of the role played by the Board of Directors means that the quality of its membership is key to the proper functioning of the company.

The Afep-Medef Corporate Governance Code (the "Afep-Medef Code") stresses that the composition of a company's Board should appropriately reflect the company's share ownership structure, the extent and nature of its operations, and the specific circumstances facing the company.

It also reiterates that since the Board acts in the corporate interest of the company it is not desirable, except in cases provided for by law, for large numbers of special interests to be represented within the Board.

The composition of the Board of Directors of Bouygues takes account of the significant proportion of the share capital held by the Group's founding family and by employee shareholders.

It also takes account of:

- legal requirements on:
 - gender balance: in accordance with Articles L. 225-18-1 and L. 22-10-3 of the Commercial Code, neither gender may account for less than 40% of the composition of the Board (excluding directors representing employees and directors representing employee shareholders),
 - representation of employees on company boards (Articles L. 225-27-1 and L. 22-10-7 of the Commercial Code),
 - inclusion of directors representing employee shareholders (Article L. 223-23 of the Commercial Code);
- the provisions of the Afep-Medef Code on independent directors.

























According to the articles of association, the Board of Directors is made up as follows:

Type of director	Method of appointment	Term of office	Number of directors	Reference text
Directors appointed by the Annual General Meeting	Appointed by an Ordinary General Meeting	3 years, renewable	3 to 18	Article L. 225-18 of the Commercial Code
Directors representing employee shareholders	Elected by an Ordinary General Meeting on the recommendation of the Supervisory Boards of the employee share ownership funds	3 years, renewable	Up to 2	Articles L. 225-23 and L. 22-10-5 of the Commercial Code
Directors representing employees	Nominated by the Group Council governed by Articles L. 2331-1 et seq of the Labour Code	2 years, renewable once	1 or 2	Articles L. 225-27-1 and L. 22-10-7 of the Commercial Code

The Rules of Procedure of the Board of Directors lay down other imperatives. For example, no more than two directors or standing representatives of legal entities may come from outside companies in which a corporate officer of Bouygues holds office.

2.3.1.2 Composition of the Board of Directors at 31 December 2021

For a full career résumé of each director see section 2.1. Overview of Board members:

Name	Profile				Board membership			Committee membership			Other offices held ^b	
	Age	Gender	Nationality	Number of shares held	Start first term ^a	End current term ^a	Length of service	Selection and Audit	Ethics, CSR and Patronage	Remuneration		
Executive Officers (from the SCDM group)												
Martin Bouygues Chairman of the Board		69	M	FR	369,297 (92,600,000 via SCDM)	1982	2024	39				
Olivier Bouygues		71	M	FR	518,021 (92,600,000 via SCDM)	1984	2022	37				
Directors representing the SCDM group												
Edward Bouygues Standing representative of SCDM		37	M	FR	SCDM: 92,500,000	2016	2022	3 ^c				
Cyril Bouygues Standing representative of SCDM Participations		35	M	FR	SCDM Participations: 100,000	2016	2022	3 ^c				
Independent directors												
Pascaline de Dreuzu		63	F	FR	750	2021	2024	0				1 (Séché Environnement)
Clara Gaymard		61	F	FR	500	2016	2022	5				3 (Danone, LVMH, Veolia Environnement)
Colette Lewiner		76	F	FR	12,685	2010	2022	11				3 (CGG, EDF, Getlink)
Benoît Maes		64	M	FR	2,000	2020	2023	1				
Rose-Marie Van Lerberghe		74	F	FR	531	2013	2022	8				2 (Klépierre, CNP Assurances)
Other director												
Alexandre de Rothschild		41	M	FR	500	2017	2023	4				
Directors representing employee shareholders												
Raphaëlle Deflesselle		49	F	FR	Unspecified	2014 ^d	2022	7				
Michèle Vilain		60	F	FR	Unspecified	2010	2022	11				
Directors representing employees												
Bernard Allain		64	M	FR	Unspecified	2020	2022	1				
Béatrice Besombes		55	F	FR	Unspecified	2020	2022	1				

(a) Either in a personal capacity or as a standing representative.

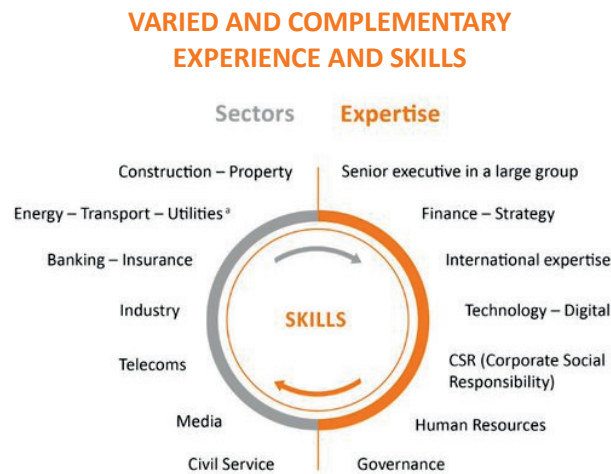
(b) In listed companies outside the Bouygues group.

(c) Cyril Bouygues and Edward Bouygues were the standing representatives of SCDM Participations and SCDM from June 2016 to June 2018, and were then reappointed on 11 June 2020.

(d) Raphaëlle Deflesselle was a director representing employees from May 2014 to May 2018. She was appointed as a director representing employee shareholders on 25 April 2019.

 Chair  Member

Experience and expertise of directors



(a) Water, electricity and other public services.

2.3.1.3 Changes in the composition of the Board of Directors

Changes in the composition of the Board of Directors in 2021

The Board meeting of 17 February 2021 considered, in light of a report from the Selection and Remuneration Committee, the changes in the composition of the Board that were put to a shareholder vote at the Annual

General Meeting of 22 April 2021. The terms of office as directors of Martin Bouygues and Anne-Marie Idrac expired at the end of that meeting.

The table below summarises the changes made to the composition of the Board of Directors in 2021:

Date	Departure	Appointment	Reappointment
22 April 2021	Anne-Marie Idrac	Pascaline de Dreuzy	Martin Bouygues

At 31 December 2021, the Board of Directors thus had 14 members, of whom 40% are women and 50% are independent directors (excluding directors representing employees and employee shareholders).

Changes in the composition following the Annual General Meeting of 28 April 2022

The Board meeting of 23 February 2022 considered, in light of a report from the Selection and Remuneration Committee, the changes in the composition of the Board that will be put to a shareholder vote at the forthcoming Annual General Meeting on 28 April 2022.

The Board of Directors is asking the forthcoming Annual General Meeting to renew the terms of office of five directors for three years and to appoint Félicie Burelle, as a director for three years, replacing Colette Lewiner. The Board has indicated that it regards Félicie Burelle as being independent in light of the independence criteria of the Afep-Medef Code, to which Bouygues refers.

The Board of Directors is also asking the Annual General Meeting to renew the terms of office of two directors representing employee shareholders who have been elected by the Supervisory Board of the employee share ownership funds in accordance with law and with Article 13.1 of the articles of association.

At the conclusion of the Annual General Meeting on 28 April 2022, and subject to the approval of the resolutions to renew the terms of office of directors and to appoint a director, the Board of Directors would still comprise 14 members and the percentage of women and independent directors would remain unchanged at 40% and 50% respectively (excluding directors representing employees and employee shareholders).

2.3.1.4 Diversity policy applied to Board members

In accordance with the Afep-Medef Code, the Board periodically reassesses the preferred balance of its membership and of its committees, especially as regards diversity (gender balance, international experience, expertise, etc.). The objectives, procedures and outcomes of this diversity policy are presented below.

Objectives	The Board takes the view that a good balance is achieved by having directors with diverse profiles, especially in terms of age, length of service, qualifications and professional experience, and by having a sufficient number of independent directors. Such diversity is particularly necessary given the broad range of activities carried on by Bouygues in construction, media and telecoms.
Procedures	The balance of the composition of the Board and its committees is one of the issues assessed each year as part of the evaluation of the Board (see section 2.3.6). The Selection and Remuneration Committee also takes account of diversity objectives when assessing any candidate for appointment as a director or Executive Officer, or as a member of a committee. When the Selection and Remuneration Committee makes proposals to the Board about appointing, reappointing or removing a director, it pays close attention to the diversity policy applied to Board members. Reappointments of directors are de facto staggered across three consecutive years. This means that the composition of the Board is reassessed every February, at the Board meeting that finalises the text of the resolutions to be submitted to the Annual General Meeting. In accordance with law and with the articles of association, the Board includes directors representing employees and directors representing employee shareholders. The presence of those directors on the Board contributes to the diversity policy.
Outcomes	<p>Expertise</p> <p>Board members are drawn from a range of complementary backgrounds, and include the full range of expertise needed for the Board of a diversified group. The expertise of Board members is summarised in section 2.3.1.2.</p> <p>For a full career résumé of each director see section 2.1.</p> <hr/> <p>Independent directors</p> <p>See section 2.3.2.</p> <hr/> <p>Nationality and international experience</p> <p>All members of the Board of Directors are French nationals, but several of them have extensive international experience. In addition, some directors have a bi-national culture.</p> <hr/> <p>Gender balance</p> <p>At 31 December 2021, without taking account of the directors representing employees and employee shareholders (in accordance with Articles L. 225-27 and L. 22-10-6 of the Commercial Code and the recommendations of the Afep-Medef Code), four of the ten directors on the Board were women, a proportion of 40%. At 31 December 2021, eight out of 11 seats on committees were held by women, a proportion of 72.7%, up versus the previous year.</p>

2.3.1.5 Non-discrimination policy and gender balance on executive bodies

The Board regularly checks that the Executive Officers are implementing a non-discrimination and diversity policy.

Bouygues Group Management Committee

The Bouygues Group Management Committee is currently all-male.

There are two main reasons for this:

- the preponderance within the Group of construction activities, which employ a very high proportion of men;
- the fact that most positions of responsibility are filled by promoting internal candidates.

The Group Management Committee essentially consists of the executive directors of each of the Bouygues group's five business segments.

In 2021, a second Gender Balance Action Plan was launched across the Group and its business segments, with targets for 2023. It aims to improve the representation of women at every level and in particular in top-tier executive positions Group-wide. Two consolidated Group objectives have been set for 2023, to reach:

- 20% women managers;
- 30% of women on executive bodies.

The 2021-2023 Gender Balance Action Plan is one of the non-financial criteria used to determine the annual variable and long-term remuneration awarded to Executive Officers.

Gender balance in the 10% of positions with the greatest responsibility

Looking beyond the Group Management Committee and Senior Vice-Presidents, women hold 28.2% of positions with the greatest level of responsibility at Bouygues SA.

The proportion of women at department head level and higher is 39.3% at Bouygues SA (excluding members of the Group Management Committee).

2.3.2 Independent directors

In accordance with the recommendations of the Afep-Medef Code, after seeking the opinion of the Selection and Remuneration Committee, the Board of Directors at its meeting of 23 February 2022 reviewed each

director's situation in light of each of the eight independence criteria as defined by the Afep-Medef Code.

Independence criteria of the Afep-Medef Code

Criterion 1: Employee or Executive Officer	Not being, or not having been within the previous five years: (i) an employee or Executive Officer of Bouygues; (ii) an employee, Executive Officer or director of an entity consolidated by Bouygues; (iii) an employee, Executive Officer or director of Bouygues' parent or of an entity consolidated by that parent.
Criterion 2: Cross-directorships	Not being an Executive Officer of an entity in which (i) Bouygues directly or indirectly holds a directorship or (ii) an employee of Bouygues is designated as a director or (iii) an Executive Officer of Bouygues (current, or who has held such office within the past five years) holds a directorship.
Criterion 3: Material business relationships	Not being (or not being directly or indirectly related to) a customer, supplier, investment banker, commercial banker or consultant: (i) that is material to Bouygues or its Group; (ii) or for which Bouygues or its Group represents a significant proportion of its business.
Criterion 4: Family ties	Not being related by close family ties to a corporate officer.
Criterion 5: Statutory auditor	Not having been a statutory auditor of Bouygues within the previous five years.
Criterion 6: More than 12 years' service	Not having been a director of Bouygues for more than 12 years. Directors lose their independent status on the twelfth anniversary of their taking up office.
Criterion 7: Non-Executive Officer	Non-Executive Officers cannot be regarded as independent if they receive variable remuneration in cash or shares, or any remuneration related to the performance of Bouygues or its Group.
Criterion 8: Major shareholder	Directors representing major shareholders of Bouygues or of its parent may be regarded as independent provided those shareholders do not take part in the control of Bouygues. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board, upon a report from the Selection and Remuneration Committee, systematically reviews whether a director qualifies as independent in light of Bouygues' share ownership structure and the existence of any potential conflict of interest.

Situation of directors in light of the independence criteria

The table below shows the classification chosen by the Board for each director (excluding directors representing employees and employee shareholders in accordance with the recommendations of the Afep-Medef Code) following the review of the Selection and Remuneration Committee on 15 February 2022 and that of the Board of Directors on 23 February 2022.

	Employee or Executive Officer	Cross-directorships	Material business relations	Family ties	Statutory auditor	More than 12 years' service	Non-Executive Officer	Major shareholder	Independent director status
Martin Bouygues	x	x	x	x	✓	x	x	x	No
Olivier Bouygues	x	x	x	x	✓	x	x	x	No
Edward Bouygues (SCDM)	x	✓	x	x	✓	✓	✓	x	No
Cyril Bouygues (SCDM Participations)	x	✓	x	x	✓	✓	✓	x	No
Pascaline de Dreuzy	✓	✓	✓	✓	✓	✓	✓	✓	Yes
Clara Gaynard	✓	✓	✓	✓	✓	✓	✓	✓	Yes
Colette Lewiner	x ^a	✓	✓	✓	✓	✓	✓	✓	Yes
Benoît Maes	✓	✓	✓	✓	✓	✓	✓	✓	Yes
Alexandre de Rothschild	✓	✓	x	✓	✓	✓	✓	✓	No
Rose-Marie Van Lerberghe	✓	✓	✓	✓	✓	✓	✓	✓	Yes

✓ Independence criterion met.

x Independence criterion not met.

(a) Colette Lewiner is also a director of Colas, a company 96.8% owned by Bouygues, which may create a conflict of interest during some deliberations of the Bouygues Board of Directors. The Board ensures that in such circumstances she refrains from taking part in deliberations and voting at Bouygues Board meetings. More generally, Colette Lewiner, like other directors, is required to comply with the rules set out in the Conflicts of Interest Compliance Programme (see section 2.3.5.2).

As regards **criterion 3 (material business relationships)**, the Board obtained assurance during its annual review that none of the directors likely to qualify as independent was (or was directly or indirectly related to) a customer, supplier or banker that is material to Bouygues or a Bouygues group company. Drawing on the work of the Selection and Remuneration Committee, the Board made a case-by-case assessment of any existing business relationships between Bouygues group companies and companies in which a director holds a professional position or corporate office.

In accordance with the recommendations of the AMF and the High Committee for Corporate Governance, the Board adopted a multi-criteria approach when considering material business relationships, while favouring a qualitative analysis. To this end, the Board took account of all the following criteria:

Qualitative criteria	<ul style="list-style-type: none"> • The extent of the business relationship for each of the entities concerned (potential economic dependence between the parties, size of transactions, specific characteristics of certain markets, direct interest of the legal entity in the business relationship). • The organisation of the relationship, including the position of the director concerned in the co-contracting company (length of directorship, whether the director has an operational role within the entity concerned, direct decision-making power over contracts, whether the director has a personal interest in the contracts or is entitled to remuneration linked to the contracts, etc.). In this respect, the Board referred to the definition contained in the Conflicts of Interest Compliance Programme approved by the Board in 2014: <i>“There is a conflict of interest when the personal interests of an employee, senior executive or executive officer of the Group are in conflict with or compete with the interests of the Group company they work for. The concept of personal interests should be understood in the broadest sense of the term. It may involve the person’s direct interests (material or simply moral) as well as the interests of a closely associated person (someone in their immediate entourage or entity with whom/which they have direct or indirect relationships).”</i> <p>Additional information about how the Bouygues group manages conflicts of interest is given in section 2.3.5.2.</p>
Quantitative criteria	<ul style="list-style-type: none"> • Sales generated by Bouygues group entities with entities of the group with which the director has a relationship, measured by comparing that sales figure with the total sales of the Bouygues group. • The volume of purchases made by Bouygues group entities of the group with which the director has a relationship, measured by comparing that volume with the total volume of purchases of the Bouygues group.

Based on the above criteria, the Selection and Remuneration Committee reported to the Board as follows:

Clara Gaymard	<p>Clara Gaymard is co-founder of Raise. She is a director (since 2016) of Danone, LVMH, Veolia Environnement and Sages. The Selection and Remuneration Committee took account of the following factors:</p> <ul style="list-style-type: none"> • Business relationships exist between Bouygues group entities and entities of the Danone, LVMH and Veolia Environnement groups, but the sales and volume of purchases generated by those business relationships represent only a very small proportion of the business of the groups in question. • There is no relationship of economic dependence, exclusivity or dominance in the sectors in which the Danone, LVMH and Veolia Environnement groups have business relationships with the Bouygues group. • The business relationships arise in the normal course of business and in an ordinary competitive environment. • Those business relationships do not involve Bouygues SA directly, but only certain subsidiaries or sub-subsidiaries. • The Bouygues Board of Directors in no way interferes in those business relationships. • Clara Gaymard has no operational role within the Danone, LVMH and Veolia Environnement groups. She has no decision-making power over the selection of service providers or the awarding, implementation or management of the contracts involved in the business relationships. • She receives no remuneration from and has no personal interest in the contracts in question. • The directorships or positions that she holds within the Danone, LVMH and Veolia Environnement groups are recent. • In 2014, Bouygues SA took a decision to invest €10 million in a Raise investment fund. It decided to invest €5 million in a new Raise investment fund in 2018 and a further €2.9 million in total was invested in those funds in 2021. The Board of Directors takes the view that those investments do not undermine the independence of Clara Gaymard, given: <ul style="list-style-type: none"> ▪ the specific aims of those funds (support for innovative French businesses, and the existence of a philanthropic endowment fund dedicated to start-ups); and ▪ the immateriality of the interest held by Bouygues in the fund’s capital.
Pascaline de Dreuzy	<p>Pascaline de Dreuzy is a director of S��ch�� Environnement and of Fondation Hugot of the Coll��ge de France. The Selection and Remuneration Committee took account of the following factors:</p> <ul style="list-style-type: none"> • There are no business relationships between the Bouygues group entities and, respectively, the entities of the S��ch�� Environnement group and Fondation Hugot of the Coll��ge de France. • There is no relationship of economic dependence or exclusivity between the Bouygues group and these other entities.

Colette Lewiner

In addition to her directorships at Bouygues and Colas, Colette Lewiner is a director of Getlink, formerly Eurotunnel (since 2011); EDF (since 2014); and CGG (since 2018). She is also Advisor to the Chairman of Capgemini, a company where she has spent most of her career.

The Selection and Remuneration Committee took account of the following factors:

- Business relationships exist between Bouygues group entities and entities of the Capgemini group, but the sales and volume of purchases generated by those business relationships represent only a very small proportion of the business of the groups in question.
- However, there are more material business relationships between Bouygues group entities and entities of the EDF group, due to a number of ongoing projects. In 2021, Bouygues Construction generated 5.2% of its consolidated sales from dealings with the EDF group. In 2017, EDF awarded the contract for construction of the buildings housing two nuclear reactors at the Hinkley Point C plant in the UK to Bouygues Construction subsidiary Bouygues Travaux Publics, in a partnership with British contractor Laing O'Rourke. The Bouygues Construction share in the deal amounts to over €1.7 billion. However, the Board takes the view that those business relationships do not impair the independence of Colette Lewiner, in light of the factors described below.
- There is no relationship of economic dependence, exclusivity or dominance in the sectors in which the groups in question have business relationships with the Bouygues group.
- The business relationships arise in the normal course of business and in an ordinary competitive environment.
- For the most part, those business relationships do not involve Bouygues SA directly, but only certain subsidiaries or sub-subsidiaries.
- The Bouygues Board of Directors in no way interferes in those business relationships. Colette Lewiner has no operational role within the entities in question. She has no decision-making power over the selection of service providers or the awarding, implementation or management of the contracts involved in the business relationships.
- She receives no remuneration from and has no personal interest in the contracts in question.

Benoît Maes

- Apart from his directorship at Bouygues SA, Benoît Maes holds no other directorship or salaried employment within or outside the Bouygues group. The Selection and Remuneration Committee determined that Benoît Maes qualifies as an independent director in accordance with the Afep-Medef Code.

Rose-Marie Van Lerberghe

Rose-Marie Van Lerberghe chairs the Board of Directors of Orchestre des Champs-Élysées (since 2015). She is also a director of Fondation Hôpital Saint-Joseph (since 2011), a member of the supervisory board of Klépierre (since 2012), a director of CNP Assurances (since 2013) and Vice-Chairwoman of Klépierre (since 2017).

The Selection and Remuneration Committee took account of the following factors:

- Business relationships exist between Bouygues group entities and entities of the CNP Assurances and Klépierre groups, but the sales and volume of purchases generated by those business relationships represent only a very small proportion of the business of the groups in question.
- There is no relationship of economic dependence, exclusivity or dominance in the sectors in which the groups in question have business relationships with the Bouygues group.
- The business relationships arise in the normal course of business and in an ordinary competitive environment.
- Those business relationships do not involve Bouygues SA directly, but only certain subsidiaries or sub-subsidiaries.
- The Bouygues Board of Directors in no way interferes in those business relationships. Rose-Marie Van Lerberghe has no operational role within the entities in question. She has no decision-making power over the selection of service providers or the awarding, implementation or management of the contracts involved in the business relationships.
- She receives no remuneration from and has no personal interest in the contracts in question.

In light of the above, the Board takes the view that the business relationships described above are not of a material nature such as to create conflicts of interest or impair the independence of the five directors in question. In any event, if the Board were to examine a transaction involving any of the entities concerned, the director in question would refrain from taking part in the deliberations and voting on that matter (see section 2.3.5.2).

Proportion of independent directors

According to the Afep-Medef Code, at least 50% of Board members of a widely-held company without controlling shareholders should be independent.

Those proportions do not take into account directors representing employee shareholders or representing employees.

In light of the independence criteria presented above, five of the ten directors (50%) were independent as of 31 December 2021.

At the conclusion of the Annual General Meeting on 28 April 2022, the percentage of independent directors would (subject to approval of the resolutions to renew the terms of office of directors and to appoint a new director) remain unchanged at 50%.

2.3.3 Conditions for preparing and organising the Board's work

14	50%	40%	2
Directors	Independent directors ^a	Women directors ^a	Directors representing employees

2	58.5	10	96.5%
Directors representing employee shareholders	Average age of directors	Number of Board meetings	Attendance rate at Board meetings

(a) Excluding directors representing employees and employee shareholders.

2.3.3.1 Rules of Procedure of the Board of Directors

Since 2002, the Rules of Procedure have clarified the conditions under which the work of the Board of Directors is prepared and organised. The Rules of Procedure are reviewed regularly and are amended to comply with:

- changes in laws and regulations and to the Afep-Medef Code;
- recommendations issued by the AMF;
- Bouygues' internal control principles.

The main provisions of the Rules of Procedure are summarised in the present report. The full text can be downloaded from the company's website www.bouygues.com under Group, Corporate governance, Articles of Association and Rules of Procedure.

2.3.3.2 Powers of the Board of Directors

The powers and remit of the Board of Directors are laid down by law and by the Afep-Medef Code. In addition, the Rules of Procedure of the Board of Directors specify the following:

- the Board promotes the creation of long-term value by the company while taking account of the social and environmental issues relating to its activities;
- the Board, with the assistance of an ad hoc committee if needed, determines the company's strategic priorities, and examines and makes decisions on major transactions;
- the strategic priorities, business plans and financing policy for the business segments and the Group are presented to the Board for approval;
- the Board must give its prior approval for any transaction regarded as being of major significance for the Group including investments in organic growth, external acquisitions, disposals, or internal restructuring, particularly where the transaction is outside the scope of the company's stated strategy;
- Board authorisation is required for major financing transactions within the framework of Article L. 411-2 of the Monetary and Financial Code, as well as for the principal guarantees and major commitments;
- the Board exercises control over management and oversees the quality of the information supplied to shareholders and to the markets, in particular through the financial statements and in connection with major transactions;
- the Board performs regular reviews of opportunities and risks, including mainly risks of a financial, legal, operational, social or environmental nature, and assesses their impact on the strategy determined by the

Board as well as initiatives taken as a consequence; to that end, the Board receives all the information necessary to fulfil its remit, especially from the Executive Officers;

- the Board determines, subject to the powers reserved by law for general meetings of shareholders, the remuneration of the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers;
- the Board deliberates annually on company policy on workplace equality and equal pay;
- the Board obtains assurance that mechanisms are in place to prevent and detect corruption and influence peddling, and receives all the necessary information to that end;
- acting on proposals from senior management, the Board sets gender balance objectives for the executive bodies, and includes in the Report on corporate governance a description of the gender balance policy applied to executive bodies; the objectives of that policy; how the policy is implemented, and the outcomes achieved in the last financial year; and where applicable, the reasons why the objectives have not been met, and steps taken to remedy the situation;
- the Board also obtains assurance that senior management applies a policy of non-discrimination and diversity, especially in terms of gender parity on executive bodies;
- the Board approves regulated agreements under the conditions laid down by law; and
- the Board implements a procedure that regularly assesses whether ordinary agreements contracted on an arm's length basis meet those conditions.

2.3.3.3 Calling of meetings, quorum and majority rules

Under the articles of association:

- the Board of Directors meets as often as necessary in the interests of the company. Meetings are called by the Chairman and may take place at the registered office or any other venue and may be convened in any way;
- meetings are only quorate when at least half of the Board members are in attendance;
- decisions are taken by a majority of the directors present or represented;
- in the event of a tie, the Chairman of the meeting has the casting vote.

The Rules of Procedure stipulate that any director who participates in a Board meeting by video-conferencing, or any other telecommunications method with technical characteristics that allow directors to be identified and participate fully in the meeting, is deemed to be in attendance for the

purposes of quorum and majority. This provision does not apply to decisions on the preparation of the full-year parent company and consolidated financial statements or the management report, except in the case of a legal waiver.

2.3.3.4 Board meetings

The Board of Directors meets in ordinary session at least five times a year:

- In January, the Board reviews the Group's estimated sales and earnings for the previous financial year, and the strategic priorities, business plans and the financing policy for the business segments and the Group that are presented to it for approval.
- In February, it closes off the financial statements for the previous financial year, and finalises the text of the reports and draft resolutions to be submitted by the Board to the Combined Annual General Meeting.
- In May, it closes off the first-quarter financial statements.
- In August, it closes off the first-half financial statements.
- In November, it closes off the nine-month financial statements.

Other Board meetings are held as the Group's business requires.

A separate session is held at least once a year at which no Executive Officers are present.

The statutory auditors are systematically invited to attend all meetings at which the Board reviews interim or full-year financial statements.

People who are not Board members, whether Bouygues group employees or not, may be invited to attend all or part of Board meetings.

2.3.3.5 Information and training

The Chairman must ensure that each director is provided with all the documents and information needed to perform their duties, including:

- information about market trends, the competitive environment and the main challenges facing the company, including corporate social responsibility issues;
- the information needed to monitor the progress of business activities and in particular sales figures and order books;

- the financial position, and in particular the company's cash position and commitments;
- any event that materially affects the Group's consolidated financial results or that may do so;
- material events in the human resources area and in particular trends in headcount;
- major risks to the company, any change therein, and the steps taken to control them.

Once each quarter, senior management reports to the Board of Directors on the previous quarter's operations and consolidated results.

Directors may obtain additional information on request. The Chief Executive Officer and the Deputy Chief Executive Officers, along with the Chief Financial Officer and General Counsel, are always at the Board's disposal to provide explanations and relevant information.

Directors may also meet with the company's principal senior executives, and may do so without the Executive Officers present provided that the latter have been informed beforehand.

Committees tasked by the Board of Directors with addressing specific issues help to keep the Board well informed through their work and reports (see section 2.3.4).

Directors must always receive any document that the company and its subsidiaries have issued to the public, particularly information for shareholders.

Since May 2017, directors have had the use of a secure digital platform to make it easier for them to access relevant documents and information. This platform can also be accessed by the Economic and Social Committee representative on the Board.

Directors may request additional training relating to the company, its business segments and the sectors in which it operates.

As required by law, directors representing employees and employee shareholders also receive specific training.

2.3.4 Work of the Board in 2021

The Board met **ten** times during 2021. The number of unscheduled meetings mainly reflects the company's merger and acquisition activity (acquisition of Equans and the TF1/M6 merger). The average attendance rate at Board meetings was **96.5%**.

The table below shows the main issues that featured on the agenda of each meeting.

Strategy	Management transition
<ul style="list-style-type: none"> • Implementing strategic priorities. • Merger and acquisition opportunities (acquisition of Equans and M6/TF1 merger). • Continued work on process to withdraw from Alstom. • Overseeing CSR strategy implementation. • Overseeing Climate strategy implementation. 	<ul style="list-style-type: none"> • Implementing the separation of the offices of Chairman of the Board of Directors and Chief Executive Officer. • Defining the remit of the Chairman of the Board of Directors. • Appointment of a Chief Executive Officer and two Deputy Chief Executive Officers.
Governance	Group's performance
<ul style="list-style-type: none"> • Changes to the composition of the Board of Directors and its committees. • Review of the diversity policy for executive bodies. • Internal evaluation of the Board. • Succession plan. 	<ul style="list-style-type: none"> • Monitoring the Group's performance and business activities. • Monitoring the impacts of the health crisis. • Active management of the Group's balance sheet and cash (including funding for acquisitions).
Audit and risks	Remuneration and Human Resources
<ul style="list-style-type: none"> • 2020 parent company financial statements. • 2020 and first-half 2021 consolidated financial statements. • Reappointment of the statutory auditors. • Mapping of the Group's major risks and cybersecurity. • Internal control and internal audit. • Monitoring the Group's various ethics and compliance initiatives. 	<ul style="list-style-type: none"> • Defining the remuneration policy for Executive Officers and directors for 2021. • Evaluation of Executive Officers' 2020 objectives. • Award of shares free of charge. • Review of implementation of the 2017-2020 Gender Balance Action Plan. • Implementation of the 2021-2023 Gender Balance Action plan.

2.3.5 Board committees

The three committees of the Board of Directors examine issues submitted to them for an opinion by the Board or its Chairman as well as matters assigned to them by the Rules of Procedure or by law:

- Audit Committee;
- Selection and Remuneration Committee;
- Ethics, CSR and Patronage Committee.

Annexes to the Rules of Procedure, the content of which is indicated below, define the composition, remit and rules for the operation of the three

committees. Executive Officers cannot sit on the committees. The committees are chaired by independent directors.


Each committee may, if it deems fit, commission technical research from third parties in areas within its competence, subject to the principles contained in the Afep-Medef Code.

The Board determines the membership and remits of the committees, which perform their activities under the Board's responsibility. The Board appoints the committee members from among the directors.

2.3.5.1 Audit Committee

4	100%	6	100%
Members	Independent directors	Number of meetings	Attendance rate at Board meetings

The Audit Committee comprises the following directors:

	CHAIRMAN	Benoît Maes	Independent director
		Pascaline de Dreuzy	Independent director
	MEMBERS	Clara Gaymard	Independent director
		Michèle Vilain	Director representing employee shareholders

During 2021, the composition of the Audit Committee changed as follows:

Date	Departure	New member
22 April 2021	Anne-Marie Idrac	Pascaline de Dreuzy

Remit

In accordance with the provisions of applicable French and European legislation as well as the Afep-Medef Code, the Audit Committee, acting under the responsibility of the Board of Directors, is responsible for overseeing:

- the process for preparing accounting and financial information;
- internal control and risk management systems relating to accounting, financial and non-financial matters; and
- matters relating to the statutory auditors.

In accordance with paragraph 16.3 of the Afep-Medef Code, the company ensures that Committee members are supplied with the relevant files sufficiently far in advance of each Committee meeting for them to have time to examine those files properly before the Committee meeting.

A digital platform was put in place in 2017 to make it easier to access documents on a timely basis.

Three members of the Committee have particularly extensive skills and experience in financial matters.

- Benoît Maes has served as Chief Audit and Actuarial Officer at Groupama; Chief Executive Officer of Gan Assurances and Groupama Gan Vie; and Group Chief Financial Officer of Groupama SA.
- Clara Gaymard has been an auditor at the Cour des Comptes state audit office and has held executive functions in the General Electric group.
- Pascaline de Dreuzy has led cross-functional projects at the Necker-Enfants Malades hospital group for more than 25 years.

Subject	Detailed description
Oversight of the process for preparing financial and non-financial information	<ul style="list-style-type: none"> • Reviewing the full-year parent company and consolidated financial statements. • Reviewing the interim consolidated financial statements. • Obtaining assurance that the accounting policies used in drawing up those financial statements are relevant and consistent. • Reviewing any changes that have a material impact on the financial statements. • Reviewing the principal optional treatments applied at the accounting close, key estimates and judgments, and the main changes in the scope of consolidation. • Making recommendations to ensure the integrity of financial information.
Oversight of the effectiveness of internal control and risk management systems, and of internal audit, as regards procedures for preparing and processing accounting, financial and non-financial information	<ul style="list-style-type: none"> • Reviewing internal control procedures relating to the preparation of the financial statements, in conjunction with internal departments and qualified advisors. • Reviewing the key accounting, financial, social and environmental risks faced by the company, any changes in those risks, and the arrangements put in place to manage them. • Performing an annual review of the key risks faced by the company, including social and environmental risks, any changes in those risks, and the arrangements put in place to manage them. • Reviewing key information systems risks. • Performing an annual review of the company's internal control assessment.

Subject	Detailed description
Oversight of matters related to the statutory auditors	<ul style="list-style-type: none"> • Organising the selection procedure as specified in the relevant laws and regulations with a view to the appointment of the statutory auditors by the Annual General Meeting. • Making recommendations to the Board on the statutory auditors proposed for appointment or reappointment at Annual General Meetings. • Overseeing execution by the statutory auditors of their engagement. • Obtaining assurance that the statutory auditors are in compliance with the independence criteria specified in the applicable laws and regulations, in particular examining the allocation of fees paid by the company itself and by Group companies between each statutory auditor (including members of their networks), including fees paid for non-audit services. • Approving the provision of any non-audit services that may be provided by the statutory auditors or by members of their networks, having first analysed the risks posed to the independence of the statutory auditors and the protective measures applied by them. • Reporting to the Board of Directors on the outcomes of the statutory audit engagement, the way in which that engagement contributed to the integrity of financial information, and the role played by the Audit Committee in that process.
Specific tasks	<ul style="list-style-type: none"> • In addition to carrying out general and regular checks, the Committee selects specific topics for in-depth review, such as the consequences of disposals or acquisitions. It reviews the accounting treatment of key risks to which Group companies are exposed, in particular country risk, or (for example) risks involved in the execution of certain projects at Bouygues Construction. The Committee pays particular attention to changes in accounting policy and to optional treatments applied at the accounting close.
Reporting to the Board of Directors	<ul style="list-style-type: none"> • The Audit Committee reports to the Board of Directors and issues recommendations on the matters described above, both periodically at accounting closes and whenever warranted by a specific event. It informs the Board promptly of any difficulty encountered.

Operation

The Audit Committee reviews the section on internal control and risk management included in the draft Report on corporate governance, and communicates any observations it may have on that draft.

At the time of their appointment, Audit Committee members are provided with information concerning the company's specific accounting, financial and operational characteristics.

Audit Committee meetings are valid only if two or more of its members, including its Chairman, are in attendance. Meetings are called by the Chair of the Committee, or at the request of the Chairman of the Board of Directors. The Committee meets at least four times each year to examine the quarterly, first-half and full-year financial statements before they are submitted to the Board. The Committee Chairman draws up the agenda. The opinions issued by the Committee are approved by a simple majority of its members. In the event of a tie, the Committee Chairman has the casting vote.

In carrying out its duties, the Committee has access to all accounting and financial documents, as well as all non-financial information, that it deems useful. It must also meet with the statutory auditors and with senior executives of the company responsible for finance, accounting, sustainable development, cash management and internal audit. If the Committee so requests, such meetings must be held without the company's senior management being present.

The Committee may also have recourse to external experts, as provided for in the Afep-Medef Code.

The statutory auditors present to the Audit Committee a summary of their work and of optional accounting treatments used at the accounting close.

The Committee meets with the statutory auditors at least once a year with no company representative present to ensure that they were given full access to information and that they have all the resources they need to fulfil their duties.

During the examination of the financial statements, the statutory auditors submit to the Audit Committee a memorandum pointing out the essential aspects of the scope of consolidation, the findings of the statutory audit (in particular, any audit adjustments and significant internal control weaknesses identified during their work), and the optional accounting treatments applied. The Chief Financial Officer provides the Committee with a memorandum describing the company's risk exposure and material off-balance sheet commitments.

The statutory auditors' main recommendations are incorporated in an action plan and a follow-up procedure that are presented to the Audit Committee and to senior management at least once a year.

The Audit Committee's discussions and the information provided to it are highly confidential and must not be disclosed outside the Board of Directors, without prejudice to the financial reporting obligations incumbent upon listed companies.

The Audit Committee reports on its work at the next subsequent Board meeting, indicating the specific actions it has taken, its conclusions, and any recommendations it may have. It informs the Board promptly of any difficulty encountered in performing its duties.

Work of the Audit Committee in 2021

The Audit Committee met **six** times in 2021. The attendance rate was **100%**.

The Audit Committee mainly reviewed the full-year parent company financial statements, the quarterly, first-half and full-year consolidated financial statements and the corresponding draft press releases, as well as the section of the management report on internal control and risk management procedures relating to the preparation and treatment of accounting and financial information.

The Committee paid particular attention to impacts related to merger and acquisition activity, cybersecurity, internal control assessment, internal audit plans, insurance and mapping of the Group's risks.

In furtherance of its remit the Audit Committee interviewed Pascal Grangé, Deputy Chief Executive Officer and Group Chief Financial Officer, the Group Senior Vice-President, Digital, Innovation and Risks, as well as the head of accounts and consolidation, and the statutory auditors, with and without representatives of the company being present. The statutory auditors reported to the Committee on the conduct of their engagement and the conclusions of their work, in particular at those meetings that dealt with the process of preparing financial information and with the examination of the financial statements.

The Committee also monitored how the process for the reappointment of the statutory auditors was implemented, and consequently issued a recommendation to the Board for the 2021 and 2022 Annual General Meetings.

2.3.5.2 Selection and Remuneration Committee

4	100%	7	100%
Members	Independent directors	Number of meetings	Attendance rate at Board meetings

The Selection and Remuneration Committee was formed in 2016 by merging the Selection Committee (set up in 1997) and the Remuneration Committee (set up in 1995).

The Committee comprises the following directors:

	CHAIRWOMAN	Colette Lewiner	Independent director
		Bernard Allain	Director representing employees
	MEMBERS	Pascaline de Dreuzu	Independent director
		Benoît Maes	Independent director

During 2021, the composition of the Selection and Remuneration Committee changed as follows:

Date	Departure	New member
22 April 2021		Pascaline de Dreuzu

Remit

In accordance with the recommendations of the Afep-Medef Code, the remit of the Selection and Remuneration Committee is as described below:

Subject	Detailed description
Composition of the Board of Directors	<ul style="list-style-type: none"> Periodically reviewing issues related to the composition of the Board, and making proposals to the Board on the appointment or reappointment of directors, taking account of the principle of achieving a balance on the Board in terms of independent directors, gender, international experience, expertise, etc. Organising a procedure for selecting future independent directors, and carrying out its own research on potential candidates before making any approach to them. Examining regularly, and each time the term of office of Executive Officers is up for renewal, (i) what governance arrangements to adopt (in particular, whether to combine or separate the offices of Chairman and Chief Executive Officer) and making recommendations on this, and (ii) changes in the Group's executive bodies, in particular by liaising with the Chairman to prepare succession plans for Executive Officers, especially in the event of an unforeseen vacancy. Assessing, on a case by case basis, the situation of each director or candidate for a directorship with respect to the independence criteria, and recommending proposals to the Board. Anticipating and examining any issues relating to conflicts of interest. Reviewing proposals to set up Board committees, and suggesting lists of their remits and members. Reviewing the draft Report on corporate governance, and informing the Board of any observations about that report. Preparing the evaluation of the Board and of its specialised committees as specified in Article 7 of the Rules of Procedure of the Board of Directors, presenting the Board with a summary report on that evaluation, and making recommendations to improve the composition, organisation and operation of the Board and its specialised committees. Examining the gender balance policy for executive bodies proposed by senior management, the objectives of that policy, how the policy is implemented, and the outcomes achieved in the last financial year, and making any relevant observations to the Board.

Subject	Detailed description
Remuneration	<ul style="list-style-type: none"> ● Reviewing and submitting proposals to the Board on the remuneration policy for corporate officers, with a view to submission of that policy to the Annual General Meeting for approval. ● Reviewing and submitting proposals to the Board of Directors on all components of the remuneration and benefits due or likely to be due to the Executive Officers, and in particular: <ul style="list-style-type: none"> ▪ for variable remuneration components: <ul style="list-style-type: none"> - proposing methods for determining the objectives for variable remuneration; - checking each year that the rules for setting the variable portion have been correctly applied, and are consistent with the assessment of their performance and with the company's medium/long-term strategy. ▪ for long-term remuneration components: <ul style="list-style-type: none"> - proposing and setting the terms of long-term remuneration plans; - examining stock option plans and allotments of shares free of charge, and making proposals for awarding such plans to Executive Officers; - making proposals on and monitoring compliance with rules specific to Executive Officers (minimum holding of registered shares and prohibition on use of hedging). ● Issuing recommendations on the overall amount of directors' remuneration, and the arrangements for allocating that remuneration between the directors. ● Submitting proposals on remuneration and incentive arrangements for the principal senior executives of the company and the Group other than Executive Officers. ● Proposing a general policy on share subscription or purchase options and on allotments of shares free of charge, and determining the frequency thereof for each category of beneficiary. ● Examining annually the draft reports on the remuneration of corporate officers, on the executive remuneration policy, and on stock options or allotments of shares free of charge.

Operation

Selection and Remuneration Committee meetings are called by the Chair of the Committee, or at the request of the Chairman of the Board of Directors. Committee meetings are valid only if two or more of its members, including its Chair, are in attendance. The Committee Chair draws up the agenda.

The opinions issued by the Committee are approved by a simple majority of its members. In the event of a tie, the Chair has the casting vote.

In the course of its work, the Committee may meet with the Chairman of the Board of Directors or any other person designated by him. In accordance with the Afep-Medef Code, the Committee may also have recourse to external experts, as provided for.

The Committee reports on its work at the next subsequent meeting of the Board of Directors. No Executive Officer may be present when the report on the work of the Committee regarding remuneration is presented to the Board of Directors.

Work of the Selection and Remuneration Committee in 2021

The Selection and Remuneration Committee met **seven** times in 2021. The attendance rate was **100%**.

The Committee paid particular attention to ensuring that the non-financial criteria used to set the Executive Officers' annual and long-term variable remuneration are consistent with the Group's Corporate Social Responsibility policy, and to reviewing the diversity policy.

From a governance perspective, the Committee:

- recommended, as part of the management transition, the separation of the office of Chairman of the Board of Directors from that of Chief Executive Officer, the confirmation of Martin Bouygues as Chairman of the Board of Directors, the appointment of Olivier Roussat as Chief Executive Officer and the appointment of Pascal Grangé and Edward Bouygues as Deputy Chief Executive Officers;
- issued recommendations concerning the composition of the Board of Directors as part of the Annual General Meeting of 22 April 2021, including the appointment of Pascaline de Dreuzay as an independent director, replacing Anne-Marie Idrac;
- led the internal evaluation of the Board; and
- reviewed the independence of directors and absence of any conflicts of interest.

From a remuneration perspective, the Committee:

- reviewed the evaluation of the Executive Officers' performance in relation to the 2020 remuneration policy (ex-post say on pay);
- defined the 2021 remuneration policy for Executive Officers (ex ante say on pay) taking account of the changes in governance; and
- examined the terms for the allotment of stock options and shares free of charge, and entitlement to a supplementary pension scheme.

2.3.5.3 Ethics, CSR and Patronage Committee

3	100%	3	100%
Members	Independent directors	Number of meetings	Attendance rate at Board meetings

The Ethics, CSR and Patronage Committee was set up in 2001, and currently comprises the following directors:

 CHAIRWOMAN	Rose-Marie Van Lerberghe	Independent director
 MEMBERS	Raphaëlle Deflesselle Clara Gaymard	Director representing employee shareholders Independent director

Rose-Marie Van Lerberghe, a member of the Committee, took over as Chairwoman on 22 April 2021.

During 2021, the composition of the Ethics, CSR and Patronage Committee changed as follows:

Date	Departure	New member
22 April 2021	Anne-Marie Idrac	Clara Gaymard

Remit

The remit of the Ethics, CSR and Patronage Committee is as follows:

Subject	Detailed description
Ethics	<ul style="list-style-type: none"> Helping define rules of conduct and guiding principles to be followed by senior executives and other employees. Issuing recommendations or opinions on initiatives aimed at promoting best practice in this area. Monitoring compliance with these values and rules of conduct. Examining and giving an opinion on the system put in place by the Group to prevent and detect corruption.
CSR	<ul style="list-style-type: none"> Examining, at least once a year, issues encountered by the Group in terms of environmental, corporate and social responsibility. Examining and giving an opinion to the Board on the non-financial compliance declaration required pursuant to Article L. 225-102-1 of the Commercial Code. Examining and giving an opinion on the vigilance plan required pursuant to Article L. 225-102-4 of the Commercial Code.
Patronage	<ul style="list-style-type: none"> Setting rules or making recommendations for Bouygues to follow. Giving its opinion to the Chairman of the Board on patronage initiatives proposed by Bouygues when they represent a significant financial commitment. Ensuring that its recommendations are implemented and that these initiatives are properly carried out.

Operation

Ethics, CSR and Patronage Committee meetings are called by the Chair of the Committee, or at the request of the Chairman of the Board of Directors. In the course of its work, the Committee may meet with the Chairman of the Board of Directors or any other person designated by him. The Committee reports on its work at the next subsequent meeting of the Board of Directors.

Work of the Ethics, CSR and Patronage Committee in 2021

The Ethics, CSR and Patronage Committee met **three** times in 2021. The attendance rate was **100%**.

The Committee paid particular attention to the defining the non-financial criteria used to set the Executive Officers' annual and long-term variable remuneration in line with the Group's Corporate Social Responsibility policy, and implementing the Taxonomy.

In addition, the Committee:

- monitored implementation of the CSR/Climate strategy and Taxonomy;
- updated the Code of Ethics and the Anti-Corruption Code of Conduct;
- reviewed French Anti-corruption Agency (AFA) inspections;
- reviewed various sensitive matters; and the Group's various ethics and compliance initiatives.

2.3.6 Ethical conduct

The directors of Bouygues are required to comply with all the rules of conduct listed in paragraph 20 of the Afep-Medef Code, and with the Code of Conduct appended to the Rules of Procedure of the Board of Directors. These documents are available on the Bouygues website.

The Code of Conduct includes detailed requirements regarding directors' duty to be informed, regular attendance, limitations on multiple directorships, preventing and managing conflicts of interest, holding shares in the company, confidentiality, and detailed measures for the prevention of insider dealing.

The compliance programmes approved in 2014 by the Board of Directors, then updated and supplemented in 2017, include rules relating to ethical conduct in securities trading and the prevention of conflicts of interest.

2.3.6.1 Rules related to regular attendance and multiple directorships

The Code of Conduct states that directors must devote the necessary time and attention to their functions. They must attend and participate regularly in the meetings of the Board and of any committees of which they are a member. Remuneration paid to directors and committee members includes a variable portion of 70%, calculated on the basis of attendance at meetings (see section 2.4.1.3).

All directors are required to comply with the instructions set out in the Commercial Code governing multiple directorships in *Sociétés Anonymes*

(public limited companies), as well as the recommendations of the Afep-Medef Code according to which:

- Executive Officers must not hold more than two other directorships in listed companies outside their group, including foreign companies, and must seek the opinion of the Board before accepting a new directorship in a listed company;
- directors must not hold more than four other directorships in listed companies outside their group, including foreign companies. This recommendation applies at the time of their appointment or of the next renewal of their term of office;
- directors must inform the Board of directorships held in other companies, including their involvement in the board committees of those companies, whether French or foreign.

As far as the Board of Directors is aware, all of the directors are in compliance with all these rules.

Attendance rates of Board and committee members

The table below shows attendance rates of directors at Board and Committee meetings in 2021; bear in mind that due to the exceptional health crisis, certain Board meetings were held via videoconference:

	Board of Directors	Audit Committee	Selection and Remuneration Committee	Ethics, CSR and Patronage Committee
Martin Bouygues (Chairman of the Board of Directors)	10/10 (100%)			
Olivier Bouygues	9/10 (90%)			
Edward Bouygues (Deputy CEO and standing representative of SCDM)	10/10 (100%)			
Cyril Bouygues (standing representative of SCDM Participations)	9/10 (90%)			
Bernard Allain (director representing employees)	10/10 (100%)		7/7 (100%)	
Béatrice Besombes (director representing employees)	9/10 (90%)			
Raphaëlle Deflesselle (director representing employee shareholders)	10/10 (100%)			3/3 (100%)
Pascaline de Dreuzy (nominated 22 April 2021)	7/7 (100%)	4/4 (100%)	5/5 (100%)	
Clara Gaynard	10/10 (100%)	6/6 (100%)		2/2 (100%)
Anne-Marie Idrac (director until 22 April 2021)	3/3 (100%)	2/2 (100%)		1/1 (100%)
Colette Lewiner	10/10 (100%)		7/7 (100%)	
Benoît Maes	10/10 (100%)	6/6 (100%)	7/7 (100%)	
Alexandre de Rothschild	7/8 (88%)			
Rose-Marie Van Lerberghe	9/10 (90%)			3/3 (100%)
Michèle Vilain (director representing employee shareholders)	10/10 (100%)	6/6 (100%)		
Average	96.5%	100%	100%	100%

2.3.6.2 Rules on preventing and managing conflicts of interest

The Code of Conduct for directors appended to the Rules of Procedure of the Board of Directors sets forth specific measures on conflicts of interest.

A compliance programme on conflicts of interest was adopted by the Board of Directors in 2014 and updated in 2017. The aim of this programme is to cover situations in which a Bouygues group employee or senior executive faces a conflict of interest in connection with his or her professional activity or office.

The provisions of the Conflicts of Interest Compliance Programme relating to directors and Executive Officers are as follows:

“Directors and Executive Officers of all Group companies are required to pay special care and attention to conflicts of interest.”

“Specific regulations on so-called “regulated agreements” deal with conflicts of interest that may arise between the company and its senior executives — Chief Executive Officer, Deputy CEOs, directors, chairman of a simplified limited company (*Société par Actions Simplifiée* – SAS), etc. — or between the company and a shareholder with more than 10% of the company’s voting rights (or an entity controlling such a shareholder) as a result of (i) agreements between them and the company; (ii) agreements in which the senior executive or shareholder may indirectly have an interest; or (iii) agreements between two companies with common senior executives.”

“Those regulations must be strictly applied within the Group. Legal departments should make sure that the regulations on regulated agreements and the Bouygues group Internal Charter on Regulated Agreements are strictly observed.”

“Directors and Executive Officers should inform their board of directors of any conflict of interest, even potential, between their duties to the company and their private interests. The chairman of a board may at any time ask directors and non-voting directors to provide a written statement confirming that they are not subject to a conflict of interest.”

“Directors must refrain from voting on any issue that concerns them directly or indirectly. In some cases, this obligation to refrain from voting may even require the relevant person not to attend meetings and not to have sight of the documents about the issue in question.”

“Directors and Executive Officers must not engage in any activity that would place them in a conflict of interest situation and must not hold an interest in a client, supplier or rival company if such an investment might influence their behaviour in the performance of their duties.”

The Code of Conduct contains identical measures.

As of the date of this report, the company is aware of the following potential conflicts of interest:

- major shareholders of the Group (SCDM, SCDM Participations and Group employee shareholders) are directly or indirectly represented on the Board of Directors by Martin Bouygues, Olivier Bouygues, Cyril Bouygues, Edward Bouygues, Raphaëlle Deflesselle and Michèle Vilain;
- Martin Bouygues, Olivier Bouygues, Cyril Bouygues and Edward Bouygues have family ties with one another. The company is not aware of other family ties between Board members;
- Cyril Bouygues, Edward Bouygues, Raphaëlle Deflesselle, Michèle Vilain, Béatrice Besombes and Bernard Allain are bound by employment contracts with Bouygues subsidiaries;

- potential conflicts of interest exist because some of the directors hold functions or directorships in other companies. A list of those functions or directorships is set out above (see section 2.1);

- Martin Bouygues, Olivier Bouygues and Colette Lewiner hold directorships in Bouygues subsidiaries.

As far as the company is aware:

- as of the date of this report there are no other potential conflicts of interest between the duties of any member of the Board of Directors to the company and their private interests or other duties;
- subject to the agreement between SCDM and Bouygues, none of the members of the Bouygues Board of Directors is linked to the company or any of its subsidiaries by a service agreement providing for benefits.

The auditors’ special report (see section 7.3.1) details the regulated agreements authorised by the Board, and identifies the Board members who abstained from voting because of actual or potential conflicts of interest.

2.3.6.3 Regulated agreements and ordinary agreements

The Bouygues group Internal Charter on Regulated Agreements, approved by the Board of Directors, is available on www.bouygues.com. The Charter, which was updated in November 2019, makes it easier for Bouygues group companies to identify:

- agreements which must be subject to the regulated agreements procedure (prior authorisation from the Board of Directors, auditors’ special report, approval by the Annual General Meeting);
- ordinary agreements contracted on an arm’s length basis, which are not subject to the regulated agreements procedure.

In compliance with a requirement introduced by the Pacte law, the Board meeting of 13 November 2019 approved a procedure to regularly assess whether ordinary agreements contracted on an arm’s length basis meet the relevant conditions. The procedure, which is contained in the Internal Charter on Regulated Agreements published on the corporate website, is described below.

- The Legal Affairs department of the business segment involved and (where applicable) the Group Legal Affairs department – with support from the Finance department in some cases – assesses whether an agreement qualifies as regulated or ordinary. Where an agreement is entered into between Bouygues SA and one of the business segments, this assessment is conducted by the General Counsel of Bouygues SA. If there is uncertainty about whether an agreement qualifies as regulated or ordinary, the statutory auditors may be asked for an opinion.

Any new agreement is assessed with reference to a list drawn up by the Group, showing the various types of agreement that are presumed to be ordinary.

Once a year, the Board of Directors examines agreements entered into and authorised during previous financial years under which transactions continued in the most recent financial year. At the same meeting, a report is made to the Board on the application of the procedure, and the relevance of the criteria, for assessing ordinary agreements contracted on an arm’s length basis.

Regulated agreements authorised by the Bouygues Board of Directors but not yet approved by the Annual General Meeting are described in the Board of Directors' report on the resolutions (see section 7.2) as well as in the auditors' special report (section 7.3.1). This report also mentions regulated agreements for which the effects continue over time.

The Board of Directors reviews such continuing agreements every year. Only new agreements are submitted to the Annual General Meeting for approval.

2.3.6.4 Declarations

As far as the company is aware, during the last five years no member of the Board of Directors has been:

- found guilty of fraud, incriminated or subject to official public sanction by any statutory or regulatory body;
- associated, in the capacity of senior executive, with any insolvency, compulsory administration or liquidation proceedings;
- prevented by a court from acting as a member of an issuer's administrative, management or supervisory body or from being involved in an issuer's management or the conduct of its business.

2.3.6.5 Restrictions agreed to by the members of the Board of Directors in relation to the sale of their shares in the company

The articles of association stipulate that each director, with the exception of the directors representing employees, must hold at least ten shares in the company. The Rules of Procedure recommend that each director own at least 500 shares in the company.

In addition, when awarding stock options or performance shares, the Board of Directors must determine the number of performance shares or shares arising from exercise of options that Executive Officers are required to retain until they cease to hold office (see section 2.4.1).

Subject to the above, the members of the Board of Directors have not agreed to any restriction in relation to the sale of their investment in the capital of the company, with the exception of the rules relating to the prevention of insider dealing.

2.3.6.6 Prevention of insider dealing

All Bouygues directors are required to comply with the Code of Conduct rules on the prevention of insider dealing. The Code of Conduct is set out in Annex 1 of the Rules of Procedure of the Board of Directors, accessible on the Bouygues website. The Financial Information and Securities Trading Compliance Programme, adopted by the Board in 2014 and updated in 2017, sets out and supplements those rules.

2.3.7 Evaluation of the Board of Directors

The Rules of Procedure of the Board of Directors stipulate that the Board should periodically evaluate its ability to meet shareholders' expectations by reviewing its composition, organisation and operation, and by undertaking a similar review of Board committees.

Consequently, every year the Board includes on its agenda a discussion on the way in which the Board operates.

In accordance with the recommendations of the Afep-Medef Code, this formal evaluation has three objectives:

- assess the way in which the Board and its committees operate;
- check that important issues are suitably prepared and debated;
- measure the actual contribution of each director to the Board's work through his or her competence and involvement in discussions.

Shareholders are informed each year in the Universal Registration Document that an evaluation has been performed and what action is being taken as a result.

On 15 November 2021, the Board of Directors carried out a formal evaluation of its organisation and operation, based on questionnaires completed by directors and committee members. Directors were also invited to have discussions with the General Counsel to ensure they were as well prepared as possible for the meeting, and to contact the Chair of the Selection and Remuneration Committee or the Chairman of the Board of Directors if they wished to discuss other issues on a more informal basis.

The response rate was 100%. The anonymised responses were reviewed by the General Counsel, in liaison with the members of the Selection and Remuneration Committee, and compared with those from previous years in order to assess what progress had been achieved and what still needed to be done.

The main conclusions of the evaluation were as follows:

General evaluation	<ul style="list-style-type: none"> • Continuing satisfaction with how the Board and its committees operate and are organised. • Good quality of discussion, particularly given the pandemic situation. • Good meeting frequency and scheduling.
Progress achieved	<p>The observations or wishes expressed by directors in recent years have been taken into account:</p> <ul style="list-style-type: none"> • More indepth Board discussions concerning the Group's strategy and addressing CSR issues and diversity. • Presentations to the Board on several topics were appreciated (cybersecurity, innovation, etc.). • Improvements were made to the induction process for new directors. • Review of the process for evaluating the Board by the Selection and Remuneration Committee.
Areas for improvement	<p>The following suggestions were made by certain directors at the end of 2021:</p> <ul style="list-style-type: none"> • Organise a site visit to a construction project or a completed project to gain more insight into the Group's strategy. • Organise meetings between both the Audit Committee and the Ethics, CSR and Patronage Committee to address cross-disciplinary issues. • Define a formal process for inducting new directors.

2.3.8 Delegations of authority to increase the share capital conferred on the Board of Directors

As required by paragraph 3 of Article L. 225-37-4 of the Commercial Code, the table below summarises financial authorisations to increase the share capital conferred on the Board of Directors by the Annual General Meeting and currently in force, and the use made of such authorisations during 2021.

The only authorisations used during 2021 were those allowing the Board to grant stock options and to allot shares free of charge.

Purpose	Maximum nominal amount	Expiry/Duration	Use in 2021
1 Purchase by the company of its own shares as part of a share buyback programme (AGM of 22 April 2021, Resolution 15) ^a	5% of the share capital	22 October 2022 (18 months)	3,975,502 shares were purchased as part of the share buyback programme (including under the liquidity contract). Under the liquidity contract: <ul style="list-style-type: none"> • 1,405,502 shares were purchased • 1,224,060 shares were sold
2 Increase the share capital with pre-emptive rights for existing shareholders maintained (AGM of 22 April 2021, Resolution 17)	Capital increase: €150 million Issuance of debt securities: €7 billion	22 June 2023 (26 months)	None
3 Increase the share capital by incorporating share premium, reserves or earnings into capital (AGM of 22 April 2021, Resolution 18)	€4 billion	22 June 2023 (26 months)	None
4 Increase the share capital by way of public offerings other than those mentioned in Article L. 411-2 of the Monetary and Financial Code, without pre-emptive rights for existing shareholders (AGM of 22 April 2021, Resolution 19)	Capital increase: €85 million ^b Issuance of debt securities: €4 billion ^b	22 June 2023 (26 months)	None
5 Increase the share capital by way of public offerings mentioned in Article L. 411-2 1° of the Monetary and Financial Code, without pre-emptive rights for existing shareholders (AGM of 22 April 2021, Resolution 20)	Capital increase: 20% of the share capital over 12 months and €75 million ^b Issuance of debt securities: €3.5 billion ^b	22 June 2023 (26 months)	None
6 Set the price in the event of a capital increase, without pre-emptive rights for existing shareholders (AGM of 22 April 2021, Resolution 21)	10% of the share capital in any 12-month period	22 June 2023 (26 months)	None
7 Increase the number of securities to be issued in the event of a capital increase with or without pre-emptive rights for existing shareholders (AGM of 22 April 2021, Resolution 22)	15% of the initial issue	22 June 2023 (26 months)	None
8 Increase the share capital as consideration for contributions in kind to the company consisting of another company's equity securities or securities giving access to the capital of another company outside of a public exchange offer (AGM of 22 April 2021, Resolution 23)	10% of the share capital ^b Issuance of debt securities: €1.75 billion ^b	22 June 2023 (26 months)	None
9 Increase the share capital as consideration for securities tendered to a public exchange offer initiated by Bouygues (AGM of 22 April 2021, Resolution 24)	Capital increase: €85 million ^b Issuance of debt securities: €4 billion ^b	22 June 2023 (26 months)	None
10 Authorise the issuance by a Bouygues subsidiary of securities giving access to shares in Bouygues (AGM of 22 April 2021, Resolution 25)	Capital increase: €85 million ^b	22 June 2023 (26 months)	None
11 Increase the share capital for the benefit of employees or corporate officers who are members of a company savings scheme (AGM of 22 April 2021, Resolution 26)	5% of the share capital	22 June 2023 (26 months)	None
12 Grant stock subscription and/or stock purchase options (AGM of 22 April 2021, Resolution 27)	2% of the share capital (Executive Officers: 0.25% of the share capital)	22 June 2023 (26 months)	2,755,500 stock subscription options granted to 694 beneficiaries on 2 June 2021 at a subscription price of €34.157

13 Allot existing or new shares free of charge (AGM of 22 April 2021, Resolution 28)	1% of the share capital (Executive Officers: 0.125% of the share capital)	22 June 2023 (26 months)	229,000 shares allotted free of charge to 8 beneficiaries on 25 August 2021
14 Allot existing or new shares free of charge as a retirement benefit (AGM of 22 April 2021, Resolution 29)	0.125% of the share capital	22 June 2023 (26 months)	None
15 Issue equity warrants during the period of a public offer for the company's shares (AGM of 22 April 2021, Resolution 30)	Capital increase: €95 million and 25% of the share capital The number of warrants is capped at one quarter of the number of existing shares and at 95 million	22 October 2022 (18 months)	None

(a) Share buybacks during the 2021 financial year, but before the Annual General Meeting of 22 April 2021, were carried out under Resolution 14 of the Annual General Meeting of 23 April 2020.

(b) Counts towards the overall ceiling specified in point 2.

2.4 REMUNERATION OF CORPORATE OFFICERS OF BOUYGUES SA

2.4.1 Remuneration policy

The present remuneration policy has been prepared on the basis of the information required by Article L. 22-10-8 of the Commercial Code, and is aligned on the principles laid down in the 2021 remuneration policy which reflected the governance changes agreed by the Board of Directors on 17 February 2021.

At that meeting, acting on a proposal from Martin Bouygues and a recommendation from the Selection and Remuneration Committee, the Board decided to separate the offices of Chairman of the Board of Directors and Chief Executive Officer with immediate effect. Martin Bouygues assumed the chairmanship of the Board of Directors and Olivier Roussat assumed the office of Chief Executive Officer, assisted by two new Deputy Chief Executive Officers: Edward Bouygues and Pascal Grangé.

The present remuneration policy was signed off at the Board meeting of 23 February 2022, on the recommendation of the Selection and Remuneration Committee.

The Board of Directors ensures that the remuneration policy applied to corporate officers is in the interests of the company, is aligned on its commercial strategy, and helps promote performance and competitiveness over the long term in order to safeguard the company's future.

In addition to a presentation of the general principles of the remuneration policy applied to all corporate officers (section 2.4.1.1), the other sections below relate to:

- the remuneration policy applied to each individual corporate officer (section 2.4.1.2); and
- the remuneration policy applied to directors (section 2.4.1.3).

The present remuneration policy is being submitted for approval by the Annual General Meeting of 28 April 2022 in the fifth, sixth and seventh resolutions.

2.4.1.1 Remuneration policy applied to all corporate officers

General principles for determining, reviewing and implementing the remuneration policy for corporate officers

Determining the remuneration policy

The remuneration policy determined by the Board of Directors, acting on the recommendation of the Selection and Remuneration Committee, incorporates incentivisation measures. Those measures reflect the Group's commercial strategy, which is oriented towards profitable and sustainable growth pursued in a responsible manner consistently with the interests of the company itself and of all its stakeholders.

COMPLIANCE

When analysing remuneration policy and making proposals to the Board of Directors, the Selection and Remuneration Committee pays close attention to the recommendations of the Afep-Medef Code, to which Bouygues refers.

COMPARABILITY AND BALANCE BETWEEN COMPONENTS OF REMUNERATION

In determining the remuneration policy, the Board of Directors takes account of the level and difficulty of the responsibilities placed on the corporate officers, in line with practices observed in groups carrying on comparable activities. The Board also seeks to achieve a balance between fixed, variable and long-term remuneration. The remuneration policy is supported by a clear rationale, and determined in accordance with the corporate interest.

CONSISTENCY AND CLARITY OF RULES

The Board of Directors, acting on recommendations from the Selection and Remuneration Committee, seeks to ensure that the remuneration policy for Executive Officers is simple, comprehensible, and consistent with the policy applied to the Group's senior executives and employees.

COMPREHENSIVENESS

The incentivising remuneration structure is comprehensive and aligned with the corporate interest, and comprises:

- fixed remuneration;
- annual variable remuneration;
- long-term remuneration;
- limited benefits in kind;
- a supplementary pension scheme; and
- remuneration for serving as a director.

A termination benefit may be paid in respect of salaried positions within the Group, excluding any period of service as a corporate officer, in accordance with the Labour Code and the national collective agreement applied by the company in question.

Corporate officers are not paid any non-competition indemnity when they leave office.

PERFORMANCE AND HOW IT IS MEASURED

Precise, exacting quantifiable and/or qualitative performance criteria are set for both variable and long-term remuneration. The criteria used help maintain a link between the Group's performance and remuneration of corporate officers, with a short-, medium- and long-term perspective.

They also take account of the interests of Bouygues and its shareholders, and the practices applied by groups carrying on comparable activities.

REVIEWING THE REMUNERATION POLICY

The Group's remuneration policy is reviewed regularly by the Board of Directors, acting on a proposal from the Selection and Remuneration Committee, and in compliance with the principles laid down in the relevant legislation and in the Afep-Medef Code.

Every year, the Selection and Remuneration Committee proposes and checks the rules for setting the remuneration and benefits of all kinds to be awarded to corporate officers, while ensuring consistency with the assessment of their performances and with the Group's medium-term strategy.

The remuneration policy review takes account of the need to reinvest profits in employee benefits so as to attract and retain talent. Those benefits include for example high-quality health, death and disability cover; agreements that support work/life balance and quality of life in the workplace; supplementary pensions; and training, etc.

IMPLEMENTING THE REMUNERATION POLICY

The Selection and Remuneration Committee submits a report on the work carried out in furtherance of its remit, as defined in the Board's Rules of Procedure and described below.

The Board of Directors is responsible for determining the fixed and variable remuneration and benefits in kind awarded to corporate officers, along with the terms of any pension arrangements and any other benefits or indemnities awarded to them.

The Board of Directors must have a rationale for its decisions, which must be taken on the basis of:

- proposals from the Selection and Remuneration Committee;
- an overall assessment of the remuneration of each corporate officer; and
- striking a fair balance between the general interest, market practices, and individual performance.

The Group seeks to ensure that its employees are fairly rewarded. The decision-making process for salary reviews involves all the relevant parties: local management, the head of Human Resources, employee representative bodies and senior executives. All the business segments follow remuneration processes that build performance criteria into their variable remuneration arrangements. Consequently, more than half of the performance criteria applied to Executive Officers are replicated in those applied to managers at business segment level (measured over the previous one, two or even three years).

Decisions taken by the Board of Directors comply with the recommendations contained in the Afep-Medef Code and with those issued by the AMF.

TAKING ACCOUNT OF EMPLOYEE REMUNERATION TERMS

Bouygues is well aware that the mindset and skills of the people who make up the Bouygues group are the sources of its success and progress. That is why the Group seeks to implement, across all entities and in every country, a remuneration policy that aims to reward people for attaining or surpassing individual or collective objectives.

When determining, reviewing and implementing the remuneration policy, the objective is to ensure that employees have a stake in the results of our operations.

In France, 99% of Group employees are covered by statutory and/or voluntary profit-sharing schemes, and specific agreements to meet local requirements are in place outside France. In practice, such schemes are directly linked to surpassing economic performance targets, and the indicators used are also found in the variable component of executive remuneration within the Group.

Capital increases reserved for employees are carried out regularly under share ownership plans. Approximately 52,000 Group employees are shareholders in Bouygues.

Nearly 700 senior executives and high-potential managers are awarded stock options every year.

MANAGING CONFLICTS OF INTEREST

To prevent any conflict of interest, at least one third of Board members are independent directors. Neither directors representing employees nor directors representing employee shareholders are taken into account when calculating the proportion of independent directors.

Various provisions on managing conflicts of interest are contained in the Code of Conduct appended to the Rules of Procedure of the Board of Directors, and in the Group's Conflicts of Interest Compliance Programme as updated in 2017.

For more information, refer to sections 2.3.2 and 2.3.6.2 respectively of this Universal Registration Document.

Role of the Selection and Remuneration Committee

The Selection and Remuneration Committee, composed of independent directors and a director representing employees, has a central role in determining, reviewing and implementing the remuneration policy.

The remit of the Selection and Remuneration Committee is in line with the recommendations of the Afep-Medef Code.

For more information, refer to section 2.3.5.2 of this Universal Registration Document.

Evaluation of performance criteria

Every year, the Selection and Remuneration Committee reviews and evaluates the rules for determining the variable remuneration awarded to Executive Officers.

The Committee uses simple, transparent, objective and exacting criteria to evaluate the performance criteria applied to determine the annual variable and long-term remuneration awarded to Executive Officers. Those criteria are based on quantitative and qualitative performance criteria that are wholly consistent with the trajectory of the business plan.

For each financial criterion, the Board of Directors sets a formula for calculating the variable portion payable (subject to a cap), based on the actual performance per the consolidated financial statements for the financial year relative to the objective set for that year. If actual performance exceeds the objective, the amount of variable remuneration is adjusted upwards, up to the cap set for each criterion. If actual performance is below the objective, no variable remuneration is awarded for that criterion.

Derogations from the remuneration policy

In exceptional circumstances, the Board of Directors, acting on a proposal from the Selection and Remuneration Committee, may (pursuant to Article L. 22-10-8 of the Commercial Code) derogate from the application of the remuneration policy provided that such derogation is temporary, aligned with the corporate interest, and necessary to safeguard the company's future or viability.

Such exceptional circumstances may include an unforeseen change in the competitive environment; a change in accounting policy; or a major event affecting the markets, the economy, and/or the sector in which the Group operates.

In such cases the Board of Directors may, after obtaining the opinion of the Selection and Remuneration Committee, adjust the criteria and performance conditions for variable annual and multi-year equity-based compensation.

More generally, any amendments to the policy must be properly substantiated and strictly applied, and must ensure that the interests of the shareholders remain aligned with those of the beneficiaries.

Most recent shareholder votes

The Annual General Meeting of 22 April 2021 approved (with 97.86% of votes in favour) the seventh resolution, relating to the information specified in Article L. 22-10-9 of the Commercial Code regarding the components of remuneration paid or awarded to corporate officers in respect of the year ended 31 December 2020.

The same meeting also approved the remuneration policy for 2021 (fifth and sixth resolutions), and the fixed and variable components of the total remuneration and benefits paid during the year ended 31 December 2020 or awarded in respect of that year to each Executive Officer (eighth to eleventh resolutions).

Amendment to the remuneration policy

The present remuneration policy was determined by the Board of Directors at its meeting of 23 February 2022, on the basis of the information required by Article L. 22-10-8 of the Commercial Code. It is aligned on the principles laid down in the 2021 remuneration policy, which reflected the governance changes agreed by the Board of Directors on 17 February 2021.

In that context, the Board of Directors (i) adjusted the components of the remuneration of Executive Officers, in particular by aligning more closely the level and structure of the remuneration of the Deputy Chief Executive Officers so as to achieve overall coherence in remuneration policy and (ii) in line with the latest AMF recommendations, clarified the circumstances in which it would be possible to derogate from the remuneration policy.

Changes to the remuneration policy in the event of substantive change in the scope of the Group

The present remuneration policy was determined on the basis of a scope that excludes the proposed acquisition of Equans and the proposed merger of TF1 and M6, both of which are in progress as of the date of this Universal Registration Document. To reflect those significant corporate actions, and the substantive change in the scope of the Group that might arise as a result, the Board of Directors will be able, if it sees fit and on an exceptional basis, and on the recommendation of the Selection and Remuneration Committee, to:

- adjust one or more performance criteria for annual variable remuneration and/or long-term remuneration, and as the case may be the

weighting of those components. The indicators impacted by the potential changes to the scope of the Group would primarily be those relating to ROCE (Return On Capital Employed) and to non-financial indicators (environment and gender balance); and

- award new exceptional long-term remuneration in the form of performance shares, subject to completion of the Equans acquisition and to the attainment of pre-determined objectives linked in particular to the integration of Equans and improvement in operational performance.

That arrangement may not exceed 40% of annual fixed plus variable remuneration.

More generally, any amendments to the policy must be properly substantiated and strictly applied, and must ensure that the interests of the shareholders remain aligned with those of the beneficiaries.

Application of the remuneration policy to newly appointed corporate officers

In the event of a change in governance structure or the appointment of a new Executive Officer in 2022, the principles, criteria and components of remuneration specified in the 2022 remuneration policy would apply to the appointee.

More specifically, if a new Chief Executive Officer were to be appointed, then the principles, criteria and components of remuneration specified in the remuneration policy for the Chief Executive Officer would apply.

If the offices of Chairman and Chief Executive Officer were to be recombined, then the principles, criteria and components of remuneration specified in the remuneration policy for the Chief Executive Officer would be adapted by the Board of Directors (acting on a recommendation from the Selection and Remuneration Committee) to take account of the change.

Similarly, if a new Deputy Chief Executive Officer were to be appointed, then the remuneration policy for Deputy Chief Executive Officers would apply.

If a new Chairman of the Board of Directors or a new director were to be appointed, then the remuneration policy applied would be in line with that applicable to the Chairman of the Board of Directors and to directors, respectively.

In any event, the Board of Directors (acting on a recommendation from the Selection and Remuneration Committee) may adapt the level and structure of remuneration to take account of the situation of the appointee, their experience, and the responsibilities they assume.

2.4.1.2 Remuneration policy specific to each individual corporate officer

The Board of Directors, acting on a recommendation from the Selection and Remuneration Committee, has set the criteria and methods for determining, allocating and awarding the fixed, variable and exceptional components of the total remuneration and benefits of all kinds of each corporate officer for 2022.

The Board of Directors is asking the Annual General Meeting to approve a remuneration policy that is aligned on the principles laid down in the 2021 remuneration policy which reflected the governance changes agreed by the Board of Directors on 17 February 2021.

Remuneration policy applicable to the Chairman of the Board of Directors

In accordance with the Afep-Medef Code, the remuneration policy for the Chairman of the Board of Directors specifies that he is entitled solely to fixed remuneration; remuneration for serving as a director; benefits in kind; and continuing entitlement to the collective death, disability and health cover policies applied within Bouygues.

The remuneration policy excludes any annual or deferred variable remuneration, exceptional remuneration, or severance benefit on leaving office.

A. HOLDING OF OFFICE AND CONTRACT OF EMPLOYMENT

In accordance with Articles 13.7 and 17.1 of the articles of association, if the Chairman also serves as Chief Executive Officer, the continuation of his term of office is subject to annual confirmation by the Board of Directors once he reaches the age of 65. If the offices of Chairman and Chief Executive Officer are separated, the age limit for the Chairman of the Board of Directors is 85.

Martin Bouygues was confirmed in office as Chairman of the Board of Directors following the decision by the Board of Directors on 17 February 2021 to separate the office of Chairman of the Board of Directors from that of Chief Executive Officer.

His term of office as a director was renewed by the Annual General Meeting of 22 April 2021.

The Chairman of the Board of Directors may be removed from office at any time by the Board of Directors.

Martin Bouygues does not have a contract of employment with Bouygues SA or with any other Group company.

B. TOTAL REMUNERATION AND BENEFITS OF ALL KINDS

Fixed remuneration

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

For the 2022 financial year, the gross annual fixed remuneration of Martin Bouygues is unchanged at €490,000.

The Board of Directors has taken account of the additional roles conferred on the Chairman of the Board of Directors in its Rules of

Procedure (acting on a recommendation from the Selection and Remuneration Committee), in light of his in-depth knowledge of the Group, experience, and expertise.

Remuneration for serving as a director

The Chairman of the Board of Directors receives remuneration for holding office as a director on the terms described in section 2.4.1.3 of this Universal Registration Document.

Benefits in kind

The Chairman of the Board of Directors is provided with a company car. Bouygues also provides the Chairman of the Board of Directors, for his personal needs, with a part-time personal assistant and a chauffeur/security guard.

For information, those benefits in kind were valued at €23,886 for the 2021 financial year.

Collective death, disability and health cover

The Chairman of the Board of Directors is entitled to benefits under the collective death, disability and health cover policies applied within Bouygues.

For information, the company paid a contribution of €4,582.56 into those policies in 2021.

The insurance policies relating to these schemes are subject to the same termination clauses as are standard under the ordinary law governing this type of policy.

Supplementary pension scheme

Contingent-rights collective pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of employment prior to 1 January 2020)

The Chairman of the Board of Directors was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code, the principal characteristics of which are described in section 2.4.2.1 of this Universal Registration Document.

Due to the closure of the scheme and the freezing of scheme members' rights, the Chairman of the Board of Directors has been unable to accumulate any further rights under this pension scheme since 1 January 2020.

Pursuant to Article 5 of Order No. 2019-697 of 3 July 2019, Bouygues transferred the contingent rights under that scheme (governed by Article L. 137-11 of the Social Security Code) to a vested-rights scheme (governed by Article L. 137-11-2 of the Social Security Code), the characteristics of which are identical to those of the vested-rights scheme described in the section of this Universal Registration Document dealing with the remuneration policy for the Chief Executive Officer. Consequently, the pension benefits accumulated under the old scheme are, as a result of the transfer, no longer contingent on the beneficiary still being with the Bouygues group when he takes retirement.

The Chairman of the Board of Directors accumulates no further rights under this pension scheme, and has no entitlement under any other supplementary pension scheme.

Remuneration policy applicable to the Chief Executive Officer and the Deputy Chief Executive Officers

Remuneration policy applicable to the Chief Executive Officer

The Chief Executive Officer may be removed from office at any time by the Board of Directors.

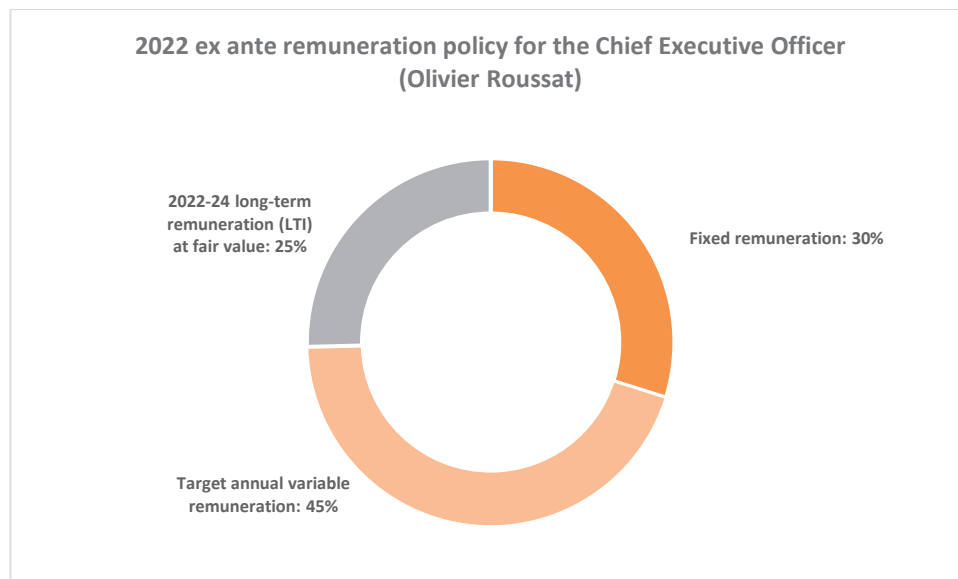
A. HOLDING OF OFFICE AND CONTRACTS OF EMPLOYMENT

Olivier Roussat, who served as Deputy Chief Executive Officer until 17 February 2021, was appointed as Chief Executive Officer on that date for a renewable three-year term of office. His term of office will expire on 17 February 2024.

Olivier Roussat signed a permanent employment contract with Bouygues on 1 April 2007. That contract was suspended when he was appointed as a Deputy Chief Executive Officer on 30 August 2016. He therefore receives no remuneration under his employment contract

B. TOTAL REMUNERATION AND BENEFITS OF ALL KINDS

Presentation of the 2022 remuneration package of Olivier Roussat, Chief Executive Officer					
Fixed remuneration	Annual variable remuneration		Objective Lower bound (% fixed remuneration)	Objective Intermediate bound (% fixed remuneration)	Objective Upper bound (% fixed remuneration)
€1,500,000	P1 – Current operating profit		12.5%	25%	35%
	P2 – Net profit attributable to the Group		20%	40%	50%
	P3 – Net surplus cash/(net debt)		15%	30%	40%
	P4 – Strategy		15%	15%	15%
	P5 – Non-financial		40%	40%	40%
	▪ P5 – Compliance		10%	10%	10%
	▪ P5 – CSR		15%	15%	15%
	▪ P5 – Management		15%	15%	15%
	TOTAL		102.5%	150%	180%
	Long-term variable remuneration		Objective Lower bound (in number of shares)	Objective Intermediate bound (in number of shares)	Objective Upper bound (in number of shares)
	A1 – ROCE (Average 2022-2024) Group		17,500	35,000	50,000
	A2 – TSR (Performance vs Benchmark)		18,500	22,000	25,000
	A3 – CSR (Gender balance and Climate)		25,000	25,000	25,000
	▪ A3 – Climate		12,500	12,500	12,500
▪ A3 – Gender balance		12,500	12,500	12,500	
TOTAL		61,000	82,000	100,000	
Benefits in kind	Collective death, disability and health cover	Supplementary pension	Exceptional remuneration	Severance benefit	Non-competition indemnity
See section below	See section below	See section below	None	None	None



Fixed remuneration

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

For the 2022 financial year, the gross annual fixed remuneration of Olivier Roussat is unchanged at €1,500,000.

Annual variable remuneration

The Board of Directors and the Selection and Remuneration Committee seek to ensure that the variable remuneration of the Chief Executive Officer is consistent with the company's performance objectives, so that it is aligned with the corporate interest and with the medium/long-term commercial strategy.

Variable remuneration is expressed as a percentage of fixed remuneration (FR). Variable remuneration awarded for a financial year is capped at a percentage of fixed remuneration.

The Board of Directors has decided that the criteria for annual variable remuneration will be set as follows:

- four quantifiable financial criteria (already used as criteria for 2021 variable remuneration and which refer to the three-year business plan):
- non-financial criteria (P5).

Three non-financial criteria are linked to the Group's compliance and CSR performances, and to an overall assessment of the Executive Officer's managerial performance.

The three non-financial criteria are weighted as follows:

- Assessment of compliance, based on monitoring of (i) sanctions for compliance breaches and (ii) dissemination and promotion of the Code of Ethics and the Anti-Corruption Code (10% of FR).
- Corporate social responsibility (15% of FR):
 - Health and Safety: reducing the workplace accident rate versus 2021, based on a plan defined separately for each business segment.
 - Climate/Environment plan:
 - Obtaining SBTi accreditation and A- Carbon Disclosure Plan (CDP) ranking for all of the Group's business segments;
 - Attainment of a specific objective set for each business segment individually: % of reclaimed asphalt pavement (Colas); % of worksites with Top Site accreditation (Bouygues Construction); % of employees having received ecological transition training, and embedding of CSR and environmental objectives in variable remuneration objectives for managers (TF1); % of employees having received training on climate issues, and number of handsets recycled (Bouygues Telecom); % of employees having received training on biodiversity issues, and commitment to carbon performance (Bouygues Immobilier).
 - Gender balance: as part of the Gender Balance plan and to attain the objectives set out in the Rixain law, gender balance indicators have been set for each business segment (% of women on top-tier executive bodies, % of women on the Executive Committee, % of women in senior manager posts, % of women in managerial posts, and promotion rate for women).

- Managerial performance assessed in terms of (i) rollout of employee engagement monitoring and (ii) the principle of systematically implementing enquiries and sanctions in established cases of proven harassment, non-sexual or sexual harassment (15% of FR).

The Board of Directors reserves the right to make an overall downward adjustment that would reduce or eliminate application of the non-financial criteria in the event of a serious adverse event during the year.

Method used to determine annual variable remuneration for 2022

The method for determining the variable remuneration of Executive Officers is based on five separate components: P1, P2, P3, P4 and P5 (as defined above).

The determination of variable remuneration for 2022 is based on results computed with reference to three pre-determined "bounds" for each of the criteria (see above for the methodology and weighting applied to each criterion). Consequently, failure to meet just one of the objectives would make it impossible for the maximum amount of variable remuneration to be paid.

P1, P2, P3 and P4

Payment of each of the four variable components P1, P2, P3 and P4 is dependent on the performance achieved during the financial year, expressed as a percentage of fixed remuneration (FR).

For P4 (strategic objectives), performance will be measured by averaging the results obtained by each business segment.

For P1, P2 and P3, between each of the bounds the effective weight of each component is determined by linear interpolation. If the "lower bound" is not attained, P = 0.

P5

The Board of Directors determines the effective weight of P5, subject to a cap of 40% of FR.

Cap

The sum of the five components P1, P2, P3, P4 and P5 calculated according to the above method may never exceed a cap of 180% of fixed remuneration.

Pre-conditions for payment

Variable remuneration due for a given year is determined by the Board of Directors, acting on a recommendation from the Selection and Remuneration Committee, at the Board meeting that signs off the financial statements for that year. Consequently, as required by Articles L. 225-100 and L. 22-10-34 of the Commercial Code, payment of the variable remuneration due for 2022 is contingent on approval by the Annual General Meeting called in 2023 to approve the 2022 financial statements. It is paid after payment has been approved by the Annual General Meeting.

There is no other contingent deferral period.

Cessation of office

If the Chief Executive Officer leaves office during the financial year, his variable remuneration for that year will be apportioned on a pro rata temporis basis for the period during which he held office in that year, and on the basis of the Board's assessment of his actual performance level for each of the criteria initially adopted.

Long-term remuneration

The Chief Executive Officer is eligible for long-term remuneration.

Olivier Roussat is entitled to long-term remuneration in the form of a contingent, deferred award of existing Bouygues shares free of charge; this is intended to align his interests more closely with those of the shareholders, in particular by taking account of the stock market performance of Bouygues shares.

On a recommendation from the Selection and Remuneration Committee, the Board of Directors has decided to specify a long-term remuneration package under which the potential award of Bouygues shares to Olivier Roussat will be increased to a maximum of 100,000 shares, given the ambitious trajectory of the Group's business plan. Those shares would be awarded at the end of a vesting period of three years (2022, 2023 and 2024), pursuant to the Commercial Code (Articles L. 225-197-1 et seq and L. 22-10-59 et seq).

Subject to approval by a general meeting of shareholders on the terms specified in Article L. 22-10-34 of the Commercial Code, long-term remuneration would be awarded to the beneficiary in the form of shares on the first working day following that general meeting.

The award of shares is contingent upon the fulfilment of a continuing employment condition and performance conditions at the end of the vesting period.

Performance conditions

A1 = ROCE – Return on Capital Employed. This criterion is intended to measure average value creation by the Bouygues group over the 2022, 2023 and 2024 period.

A2 = TSR (Total Shareholder Return). This criterion is intended to measure, over the three-year period, the performance of Bouygues shares relative to sector indices that reflect its principal business activities: STOXX® Europe 600 Construction & Materials, STOXX® Europe 600 Telecommunications, and STOXX® Europe 600 Media.

The performance measure is derived from Bloomberg data (for both Bouygues and the indices) and is computed on the assumption that dividends are reinvested.

A3 = Equally weighted climate plan and gender balance objectives:

- Climate: performance against the Group's carbon reduction plan, which aims to reduce direct and indirect emissions by 2030, by:
 - 30% for Bouygues Construction (versus 2019);
 - 32% for Bouygues Immobilier (versus 2020);
 - 30% for Colas (versus 2019);
 - 30% for TF1 (versus 2019); and by 50% (scopes 1 and 2); and
 - 30% (scopes 3a and 3b) for Bouygues Telecom (versus 2020).
- Gender balance:
 - Attainment by each business segment of the criteria defined in the plan (% of women in managerial grade posts, % of women in senior manager posts, % of women classed as "top talents", % of women in top-tier executive bodies).
 - Attainment of Group objectives in the "global" scope (21.5% of women in senior manager posts, 30.5% of women in top-tier executive bodies).

Between the bounds, A1 and A2 vary on a straight-line basis. For A3, performance will be measured on the basis of the average of the results obtained by the business segments, and will vary accordingly. If the "lower bound" is not attained, A = 0.

Continuing employment condition

The beneficiary will have to be serving as a member of the Group Management Committee on 31 December 2024.

If that condition is no longer met, the beneficiary's entitlement to long-term remuneration will be forfeited on the date of cessation of office.

The Board of Directors reserves the right to derogate from that rule on a case by case basis based on advice from the Selection and Remuneration Committee.

As an exception to the above, the beneficiary will not forfeit entitlement to long-term remuneration in the following circumstances:

- A. incapacity;
- B. death;
- C. retirement, apportioned on a pro rata temporis basis to reflect time actually spent in office during the reference period;

in accordance with the terms of the long-term remuneration plan.

Cap

Long-term remuneration may never exceed a cap of 100% of the beneficiary's fixed plus variable remuneration.

Lock-up and hedging

In addition, acting in line with the recommendations of the Afep-Medef Code, the Board meeting of 20 February 2019 set a minimum quantity of shares that the beneficiary would be required to hold in registered form until he ceases to hold office. The beneficiary would be required to hold in registered form until he ceases to hold office as an Executive Officer a minimum quantity of shares representing the equivalent of 1.5 times his fixed annual remuneration. Until such time as that objective is reached, the beneficiary would have to set aside for that purpose 60% of the shares actually delivered to him.

The value of the shares delivered under this long-term remuneration package may not exceed a cap set at 100% of the beneficiary's fixed and variable remuneration. In determining whether that cap is reached, the value of the shares delivered is calculated on the basis of the opening market price of Bouygues shares on the day before delivery.

As far as Bouygues is aware, no instruments have been contracted to hedge the shares awardable under this long-term remuneration package. In addition, the beneficiary has made a formal undertaking not to enter into hedging transactions to cover his risk.

Benefits in kind

The Chief Executive Officer is provided with a company car.

Bouygues also provides the Chief Executive Officer, for his personal needs, with a chauffeur/security guard; loss of earnings insurance; and a set number of hours of advice from a financial/wealth management consultant.

For information, those benefits in kind were valued at €26,209 for the 2021 financial year, including €2,266 for death and disability cover.

Collective death, disability and health cover

The Chief Executive Officer is entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as Bouygues employees.

For information, the company paid a contribution of €4,582.56 into those policies in 2021.

The insurance policies relating to these schemes are subject to the same termination clauses as are standard under the ordinary law governing this type of policy.

Supplementary pension schemes

The Chief Executive Officer benefits from a vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code.

To ensure that the Chief Executive Officer's remuneration is competitive, and that his long-term interests are aligned with those of Bouygues, the Board of Directors is proposing that pension rights which exceed eight times the annual Social Security ceiling be awarded to the Chief Executive Officer in the form of Bouygues performance shares, to be delivered after he retires.

Contingent-rights collective pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of employment prior to 1 January 2020)

The Chief Executive Officer, who joined the scheme before 4 July 2019, was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code.

Subject to his still being with the Bouygues group on retirement and to being a member of the Group Management Committee, the Chief Executive Officer was entitled to an annuity under this scheme (the principal characteristics of which are described in section 2.4.2.1 of this Universal Registration Document).

In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Due to the closure of the scheme and the freezing of scheme members' rights, the Chief Executive Officer cannot accumulate any further rights under this pension scheme from 1 January 2020 onwards.

Pursuant to Article 5 of Order No. 2019-697 of 3 July 2019, Bouygues has transferred the contingent rights under this scheme (governed by Article L. 137-11 of the Social Security Code) to a vested-rights scheme (governed by Article L. 137-11-2 of the Social Security Code), the characteristics of which are identical to those of the vested-rights scheme described below; this means that the pension benefits accumulated under the old scheme are, as a result of the transfer, no longer contingent on the beneficiary still being with the Bouygues group when he takes retirement.

In any event, no rights were transferred to the beneficiary above the cap of 30% of his average annual remuneration liable to social security contributions over the last three years under the scheme governed by Article L. 137-11 of the Social Security Code.

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code (rights for periods of employment subsequent to 1 January 2020)

Given the closure of and the freezing of contingent rights under defined-benefit pension schemes governed by Article L. 137-11 of the Social Security Code, the Board meetings of 13 November 2019 and 19 February 2020 decided (acting on a proposal from the Selection and Remuneration Committee) to introduce a new vested-rights pension scheme in compliance with currently applicable legislation (Article L. 137-11-2 of the Social Security Code). The new scheme enables members of the Group Management Committee who have not reached the cap adopted by the Board to accumulate pension rights for periods of employment subsequent to 1 January 2020 such that they will receive the same level of annuity (0.92% a year) as under the previous scheme in place within Bouygues, subject to fulfilment of the performance conditions described below. In accordance with the new regulations, pension rights will vest annually and will no longer be subject to the individual still being with the Bouygues group at retirement.

The characteristics of the scheme are as follows:

1. Conditions for joining the scheme and other eligibility conditions. The beneficiary must:
 - be a member of the Group Management Committee of Bouygues; and
 - have at least three years of service within a Bouygues group company.
2. Reference remuneration: gross annual fixed remuneration plus gross annual variable remuneration.
3. Frequency of vesting of rights: annual.
4. Annual cap on vesting of pension rights: 0.92% of reference remuneration.
5. Overall cap: eight times the annual social security ceiling (giving a cap of €329,088 in 2022).
6. Overall cap on vesting of rights under all schemes governed by Article L. 137-11-2 of the Social Security Code: 30 points.
7. Funding is contracted out to an insurance company, to which an annual premium is paid.
8. Performance conditions:

2022 financial year: Objective = that the average of consolidated net profit attributable to the Group for the 2022 financial year and for the 2021 and 2020 financial years ("Average CNP") is greater than or equal to 90% of the average of the consolidated net profit figures specified in the 2022 business plan and in the plans for the 2021 and 2020 financial years.

Terms for determining the vesting of pension rights based on performance:

- If Average CNP is greater than or equal to the average of the consolidated net profit figures specified in the 2022 business plan and in the plans for the 2021 and 2020 financial years: annual pension rights = 0.92% of reference remuneration.
- If Average CNP is more than 10% below the average of the consolidated net profit figures specified in the 2022 business plan and in the plans for the 2021 and 2020 financial years: annual pension rights = 0.

Between the lower and upper limits, the pension rights awarded vary on a straight-line basis between 0% and 0.92% of reference remuneration.

The Chief Executive Officer is eligible for this pension scheme and can accumulate rights (0.92% of reference remuneration per year) subject to attainment of the performance conditions defined above, with the caveat that his rights have reached the cap of eight times the annual social security ceiling (a cap of €329,088 in 2022) set by the Board of Directors.

Retirement benefit scheme in the form of performance shares

Acting on a proposal from the Selection and Remuneration Committee, the Board of Directors decided at its meeting of 17 February 2021 that the portion of pension rights exceeding eight times the annual Social Security ceiling would be delivered in the form of an award of performance shares, on the terms set forth in Articles L. 225-197-1 et seq and L. 22-10-59 et seq of the Commercial Code, for the benefit of members of the Group Management Committee.

This scheme helps align the interests of members of the Group Management Committee on those of the shareholders, because the shares will not vest in the beneficiaries until they retire.

Opting for a retirement benefit scheme based on performance shares reflects a commitment to giving members of the Group Management Committee a stake in the development of the company, with a view to building a corporate culture.

Vesting of the performance shares under the scheme is subject to:

1. a vesting period which begins on the date of grant and lasts until the date of the beneficiary's retirement, and which may under no circumstances be less than one year; and
2. an exacting lock-up period which only allows the acquired shares to be sold gradually, and which may under no circumstances be less than one year.

Vesting of the shares is subject to (i) a continuing employment condition (as of the vesting date) and (ii) a performance condition linked to average net profit attributable to the Group, identical to that specified for the vested-rights pension scheme.

The beneficiary receives free of charge a number of Bouygues shares equivalent to the premium that would have been required to guarantee the rights that he would have accumulated under the vested-rights scheme (capped at 0.92% of reference remuneration, subject to fulfilment of the performance condition).

The Board of Directors has set the overall cap for this scheme at 14 times the annual social security ceiling (giving a cap of €575,904 in 2022).

This scheme applies to beneficiaries of the vested-rights scheme governed by Article L. 137-11-2 of the Social Security Code, provided they have reached the cap set by the Board of Directors (eight times the annual social security ceiling) in respect of the defined-benefit pension schemes operated within the company.

Olivier Roussat benefits under this scheme because his rights have reached that ceiling. For the 2021 financial year, the Board meeting of 23 February 2022 approved an award to Olivier Roussat of a number of shares equal to his insurance premium divided by the quoted market price per Bouygues share on the day after the Annual General Meeting of 28 April 2022. The award of shares will take place after it has been approved by that meeting.

Severance benefit on leaving office

No severance benefit is payable to the Chief Executive Officer on leaving office.

Non-competition indemnity

The Chief Executive Officer is not entitled to any non-competition indemnity.

Adjustments to the remuneration policy for the Chief Executive Officer in the event that Equans is acquired

Subject to closing of the proposed acquisition of Equans, it is proposed to introduce a specific and complementary long-term remuneration package in the form of a contingent deferred award of shares free of charge in accordance with Articles L. 225-197-1 et seq and L. 22-10-59 et seq of the Commercial Code.

The shares would be delivered in several tranches, subject to the following conditions:

- The beneficiary must be an Executive Officer of Bouygues at each vesting date. As an exception, the beneficiary will retain his long-term remuneration entitlement in the event of incapacity, death or retirement, in proportion to his actual time in office during each vesting period and subject to the conditions stipulated in the long-term remuneration plan.
- The performance conditions would be defined by the Board of Directors, on a proposal from the Selection and Remuneration Committee, with reference to known financial and non-financial parameters as of the date the acquisition is closed. The performance conditions would be oriented around:
 - the success of the merger between Bouygues Energies & Services and Equans; and
 - the improvement in operating performance (transformation plans, synergies, etc.).

The number of performance shares to be awarded per beneficiary would be capped at 120,000, with an overall cap of 200,000. After each award, delivery of the shares would be subject to approval by a general meeting.

Each beneficiary would be subject to a lock-up condition in accordance with the rules of the long-term remuneration plan.

Remuneration policy applicable to the Deputy Chief Executive Officers

A. HOLDING OF OFFICE AND CONTRACTS OF EMPLOYMENT

Deputy Chief Executive Officers are appointed for a renewable three-year term of office. Deputy Chief Executive Officers may be removed from office at any time by the Board of Directors, acting on a proposal from the Chief Executive Officer.

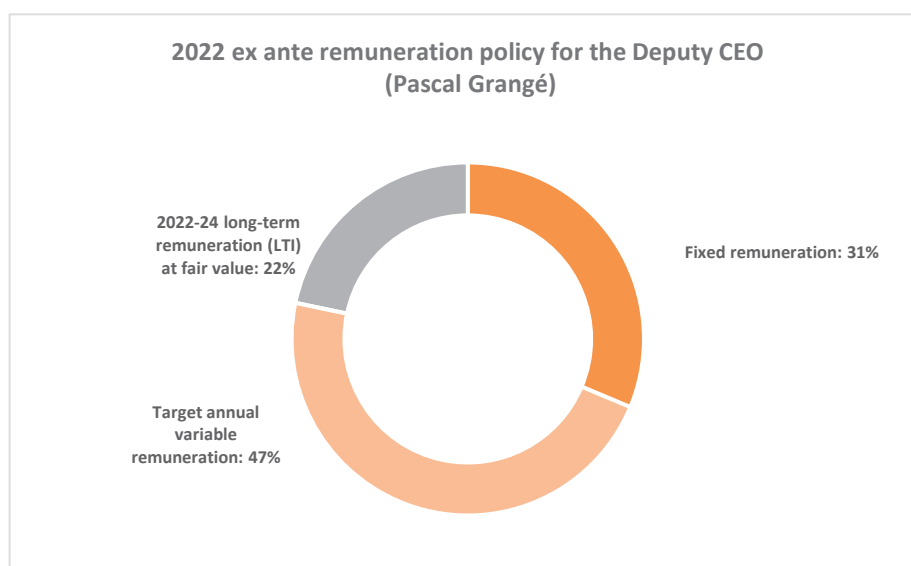
Edward Bouygues and Pascal Grangé were appointed as Deputy Chief Executive Officers with effect from 17 February 2021.

Pascal Grangé has a permanent employment contract with the company. That employment contract was suspended when he was appointed as a Deputy Chief Executive Officer on 17 February 2021.

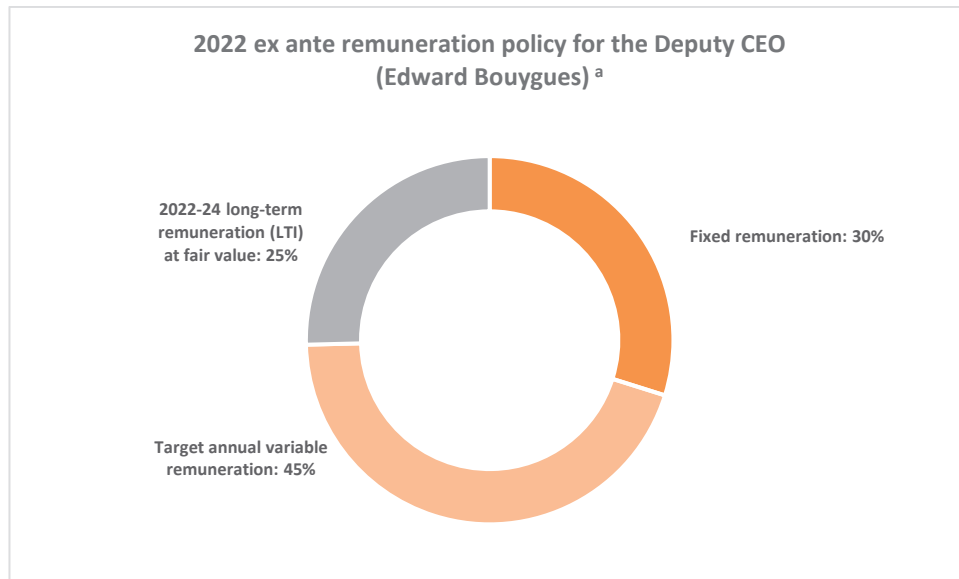
Edward Bouygues also has a permanent employment contract with a Bouygues subsidiary. That factor has been taken into account in determining the amount of his remuneration as a corporate officer of Bouygues.

B. TOTAL REMUNERATION AND BENEFITS OF ALL KINDS

Presentation of the 2022 remuneration package of Pascal Grangé, Deputy Chief Executive Officer					
Fixed remuneration	Annual variable remuneration		Objective Lower bound (% fixed remuneration)	Objective Intermediate bound (% fixed remuneration)	Objective Upper bound (% fixed remuneration)
€920,000	P1 – Current operating profit		12.5%	25%	35%
	P2 – Net profit attributable to the Group		20%	40%	50%
	P3 – Net surplus cash/(net debt)		15%	30%	40%
	P4 – Strategy		15%	15%	15%
	P5 – Non-financial		40%	40%	40%
	▪ P5 – Compliance		10%	10%	10%
	▪ P5 – CSR		15%	15%	15%
	▪ P5 – Management		15%	15%	15%
	TOTAL		102.5%	150%	180%
	Long-term variable remuneration		Objective Lower bound (in number of shares)	Objective Intermediate bound (in number of shares)	Objective Upper bound (in number of shares)
	A1 – ROCE (Average 2022-2024) Group		8,750	17,500	25,000
	A2 – TSR (Performance vs Benchmark)		9,250	11,000	12,500
	A3 – CSR (Gender balance and Climate)		12,500	12,500	12,500
▪ A3 – Climate		6,250	6,250	6,250	
▪ A3 – Gender balance		6,250	6,250	6,250	
TOTAL		30,500	41,000	50,000	
Benefits in kind	Collective death, disability and health cover	Supplementary pension	Exceptional remuneration	Severance benefit	Non-competition indemnity
See section below	See section below	See section below	None	None	None



Presentation of the 2022 remuneration package of Edward Bouygues, Deputy Chief Executive Officer					
Fixed remuneration	Annual variable remuneration		Objective Lower bound (% fixed remuneration)	Objective Intermediate bound (% fixed remuneration)	Objective Upper bound (% fixed remuneration)
€400,000	P1 – Current operating profit		12.5%	25%	35%
	P2 – Net profit attributable to the Group		20%	40%	50%
	P3 – Net surplus cash/(net debt)		15%	30%	40%
	P4 – Strategy		15%	15%	15%
	P5 – Non-financial		40%	40%	40%
	▪ P5 – Compliance		10%	10%	10%
	▪ P5 – CSR		15%	15%	15%
	▪ P5 – Management		15%	15%	15%
	TOTAL		102.5%	150%	180%
	Long-term variable remuneration		Objective Lower bound (in number of shares)	Objective Intermediate bound (in number of shares)	Objective Upper bound (in number of shares)
	A1 – ROCE (Average 2022-2024) Group		7,000	14,000	20,000
	A2 – TSR (Performance vs Benchmark)		7,500	8,750	10,000
	A3 – CSR (Gender balance and Climate)		10,000	10,000	10,000
	▪ A3 – Climate		5,000	5,000	5,000
▪ A3 – Gender balance		5,000	5,000	5,000	
TOTAL		24,500	32,750	40,000	
Benefits in kind	Collective death, disability and health cover	Supplementary pension	Exceptional remuneration	Severance benefit	Non-competition indemnity
See section below	See section below	See section below	None	None	None



(a) These figures relate solely to his remuneration for serving as a corporate officer, and do not include remuneration under his employment contract.

Fixed remuneration

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

Gross annual fixed remuneration is unchanged at €920,000 for Pascal Grangé and €400,000 for Edward Bouygues.

Annual variable remuneration

The Board of Directors and the Selection and Remuneration Committee seek to ensure that the variable remuneration of the Deputy Chief Executive Officers is consistent with the company's performance objectives, so that it is aligned with the corporate interest and commercial strategy.

The criteria for awarding annual variable remuneration are the same as those described above for the Chief Executive Officer (section 2.4.1.2.1 B – Annual variable remuneration).

Method used to determine annual variable remuneration for 2022

The method for determining the annual variable remuneration of Executive Officers is based on five separate components: P1, P2, P3, P4 and P5, as described above (section 2.4.1.2.1 B – Method used to determine annual variable remuneration for 2022).

Cap

The sum total of the five components P1, P2, P3, P4 and P5 may never exceed a cap of 180% of fixed remuneration for Pascal Grangé and Edward Bouygues.

Pre-conditions for payment

The pre-conditions for payment are identical to those described above for the Chief Executive Officer (section 2.4.1.2.1 B).

Cessation of office

If a Deputy Chief Executive Officer leaves office during the financial year, his variable remuneration for that year will be apportioned on a pro rata temporis basis for the period during which he held office in that year, and on the basis of the Board's assessment of his actual performance level for each of the criteria initially adopted. Payment of that remuneration will be submitted for approval by a general meeting of shareholders on the terms set forth in Article L. 22-10-34 of the Commercial Code.

Long-term remuneration

The Deputy Chief Executive Officers are eligible for long-term remuneration.

Pascal Grangé and Edward Bouygues are entitled to long-term remuneration in the form of a contingent award of existing Bouygues shares; this is intended to align the interests of the Executive Officers more closely with those of the shareholders, in particular by taking account of the stock market performance of Bouygues shares.

The terms of this long-term remuneration package specify the award of no more than 50,000 Bouygues shares to Pascal Grangé and 40,000 Bouygues shares to Edward Bouygues at the end of a three-year period (2022, 2023 and 2024). The award of shares is contingent upon the fulfilment of a continuing employment condition and performance conditions at the end of that period.

The conditions for long-term remuneration are identical to those described above for the Chief Executive Officer (section 2.4.1.2.1 B).

Performance conditions

The criteria for awarding long-term remuneration are the same as those described above for the Chief Executive Officer (section 2.4.1.2.1 B – Long-term remuneration).

Continuing employment condition

The continuing employment condition for the award of long-term remuneration is the same as that described above for the Chief Executive Officer (section 2.4.1.2.1 B – Continuing employment condition).

Cap

Long-term remuneration may never exceed a cap of 100% of the beneficiaries' fixed plus variable remuneration.

Lock-up and hedging

The lock-up period for shares awarded to the beneficiaries as long-term remuneration is the same as that described above for the Chief Executive Officer (section 2.4.1.2.1 B – Lock-up and hedging).

Benefits in kind

Pascal Grangé is provided with a company car and a chauffeur/security guard, and a set number of hours of advice from a financial/wealth management consultant.

For information, those benefits in kind were valued at €6,758 for the 2021 financial year, including €3,025 for death and disability cover.

Edward Bouygues receives a benefit in kind in respect of death and disability cover.

For information, that benefit in kind was valued at €701 for the 2021 financial year.

Collective death, disability and health cover

The Deputy Chief Executive Officers are entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as Bouygues employees.

For information, the company paid contributions of €3,955.72 (for Pascal Grangé) and €1,977.85 (for Edward Bouygues) into those policies in 2021.

The insurance policies relating to these schemes are subject to the same termination clauses as are standard under the ordinary law governing this type of policy.

Supplementary pension schemes

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code (rights for periods of employment subsequent to 1 January 2020)

The Deputy Chief Executive Officers, in their capacity as members of the Group Management Committee, are eligible for this new pension scheme and can accumulate rights (0.92% of reference remuneration per year) subject to attainment of the performance conditions defined above for the Chief Executive Officer, with the caveat that their rights have not yet reached the cap of eight times the annual social security ceiling (a cap of €329,088 in 2022) set by the Board of Directors.

If they exceed this cap, their vested rights will be transformed into Bouygues shares with a vesting period which begins on the date of grant and lasts until the date of the beneficiary's retirement, and which may not be less than one year. An exacting lock-up period will also be applied, which only allows the acquired shares to be sold gradually, and which may under no circumstances be less than one year.

This scheme applies up to a cap set at 14 times the annual social security ceiling (giving a cap of €575,904 in 2022), as decided by the Board of Directors.

Retirement benefit scheme in the form of performance shares

To date, the vested rights accumulated by Pascal Grangé and Edward Bouygues have not reached that cap. No award will be made under this scheme during the 2022 financial year.

Severance benefit on leaving office

No severance benefit is payable to the Deputy Chief Executive Officers on leaving office.

Non-competition indemnity

The Deputy Chief Executive Officers are not entitled to any non-competition indemnity.

Change to the remuneration of Edward Bouygues

Edward Bouygues currently receives remuneration for (i) holding office as a Deputy Chief Executive Officer of Bouygues and (ii) his salaried position at Bouygues Telecom.

If his contract of employment with Bouygues Telecom is terminated, the components of his annual variable and long-term remuneration (criteria, objectives, cap, etc.) will be aligned on those of Pascal Grangé (except for the number of performance shares awarded, which will be capped at 40,000), and his fixed remuneration will be automatically raised to €600,000.

Adjustments to the remuneration applicable to Pascal Grangé in the event that Equans is acquired

Pascal Grangé could benefit from an award of performance shares on the same terms as those described above for the Chief Executive Officer.

2.4.1.3 Remuneration policy applicable to directors

A. HOLDING OF OFFICE AND CONTRACTS OF EMPLOYMENT

Directors hold office for a term of three years except for the director representing employees, who holds office for a term of two years.

For more information about the directors, refer to section 2.1 (Information on corporate officers at 31 December 2021).

Directors may be removed from office at any time by a general meeting of the shareholders.

Directors representing employees may be removed from office for misconduct in office. The term of office of a director representing employees ends automatically ahead of the normal expiry date if the

individual's employment contract is terminated, or if the company employing the individual leaves the Bouygues group.

B. REMUNERATION

The Annual General Meeting of Bouygues shareholders of 27 April 2017 set the overall amount of remuneration awarded to directors for holding office at €1,000,000 per financial year.

The amount of remuneration received by directors is decided by the Board of Directors (within the overall amount approved by the shareholders at the Annual General Meeting), based on principles set by the Board. The actual amount depends on their attendance rate and the time they spend on their duties, including as a member of Board committees.

Directors could also receive remuneration in respect of specific duties that may be assigned to them by the Board; this would fall within the regulated agreements procedure, and as such would be submitted to a vote at a general meeting of shareholders.

Remuneration comprises a fixed portion of 30% and a variable portion of 70% calculated on the basis of attendance, determined in proportion to the actual participation of each director in the five periodic Board meetings held each year and (for committee members) in committee meetings.

The arrangements for allocating the overall amount approved by the Annual General Meeting were amended by the Board of Directors in 2020 to align them more closely on the practices adopted by comparable companies.

Directors' remuneration amounts to:

• Chairman of the Board of Directors	€70,000
• Director	€48,000
• Chair of the Audit Committee	€38,000
• Member of the Audit Committee	€19,000
• Chair of any other committee	€30,000
• Member of other committees (Selection and Remuneration; Ethics, CSR and Patronage)	€15,000

Some directors receive remuneration for serving as directors within other Bouygues group companies.

A detailed analysis of remuneration awarded to directors in respect of the 2021 financial year is provided in section 2.4.2.7 of this Universal Registration Document.

Directors representing employees and directors representing employee shareholders

Under their employment contracts within the Group, directors representing employees and directors representing employee shareholders receive salaries that have no link with their office as directors.

Those salaries are not disclosed.

2.4.2 Remuneration of corporate officers in 2021

The information below is required under Articles L. 22-10-8 and L. 22-10-34 paragraph II of the Commercial Code, and reiterates the principles and criteria approved by the fifth resolution of the Annual General Meeting of 22 April 2021. The Board of Directors has consistently applied the successive changes to the Afep-Medef Corporate Governance Code concerning executive remuneration, and the application guidance issued by the High Committee for Corporate Governance.

With effect from 17 February 2021, Martin Bouygues was confirmed in office as Chairman of the Board of Directors; Olivier Roussat was appointed Chief Executive Officer, assisted by two new Deputy Chief Executive Officers: Edward Bouygues and Pascal Grangé.

The principles and criteria for 2021 annual and multi-year variable remuneration were determined by the Board of Directors on 17 February 2021 and approved by the Annual General Meeting of 22 April 2021 (fifth resolution). The Board meeting of 23 February 2022 evaluated the 2021 performance of the Executive Officers.

Compliance with the most recent shareholder vote

The Annual General Meeting of 22 April 2021 approved (with 97.86% of votes in favour) the seventh resolution, relating to the information specified

in Article L. 22-10-9 of the Commercial Code regarding the components of remuneration paid or awarded to corporate officers in respect of the year ended 31 December 2020.

Suspension of remuneration paid to directors

Because the composition of the Board of Directors complies with the requirements of Article L. 225-18-1 of the Commercial Code, payment of the remuneration allocated to directors has not been suspended.

Other information on remuneration

The remuneration of Martin Bouygues, as determined by the Bouygues Board of Directors, is paid by SCDM. SCDM then invoices Bouygues this remuneration and the related social security charges, pursuant to the agreement governing relations between Bouygues and SCDM (which is subject to the regulated agreements procedure). That invoicing strictly reflects the amounts of remuneration as determined by the Bouygues Board of Directors. The agreement between Bouygues and SCDM is subject to approval by the Annual General Meeting of 28 April 2022 (fourth resolution) under the regulated agreements procedure.

2.4.2.1 2021 remuneration of Martin Bouygues

Presentation of the 2021 remuneration package of Martin Bouygues					
Fixed remuneration ^a	Annual variable remuneration ^a	Objective Lower bound (% fixed remuneration)	Objective Intermediate bound (% fixed remuneration)	Objective Upper bound (% fixed remuneration)	2021 outcome (% fixed remuneration)
€547,589	P1 – Current operating profit	12.5%	25%	35%	35%
	P2 – Net profit attributable to the Group	20%	40%	50%	50%
	P3 – Net surplus cash/net debt	15%	30%	40%	40%
	P4 – Strategy	15%	15%	15%	5.2%
	P5 – Non-financial ^b	40%	40%	40%	35.6%
	▪ P5 – Compliance	10%	10%	10%	9.2%
	▪ P5 – CSR	15%	15%	15%	11.4%
	▪ P5 – Management	15%	15%	15%	15%
	TOTAL	102.5%	150%	180%	165.8% i.e. €204,289
Remuneration for serving as a director	Benefits in kind	Collective death, disability and health cover		Supplementary pension scheme	
€70,000	€23,886	€4,582.56		No entitlement in respect of 2021	

(a) Given the change in his duties, the fixed and annual variable remuneration of Martin Bouygues was apportioned on a pro rata temporis basis for the period from 17 February 2021.

(b) See under Chief Executive Officer below for non-financial criteria and the attainment levels achieved.

A. Total remuneration and benefits of all kinds

a. Components of remuneration

FIXED REMUNERATION

For the 2021 financial year, Martin Bouygues received gross annual fixed remuneration of €547,589, calculated on a pro rata temporis basis as follows:

- €123,214 for serving as Chairman and Chief Executive Officer until 17 February 2021; and
- €424,375 for serving as Chairman of the Board of Directors from 17 February 2021.

ANNUAL VARIABLE REMUNERATION

The criteria for variable remuneration, and their relative weights and attainment levels, are shown in the summary table above.

Martin Bouygues is eligible for gross annual variable remuneration of €204,289, calculated on a pro rata temporis basis, for serving as Chairman and Chief Executive Officer until 17 February 2021.

The company did not seek any clawback of variable remuneration.

LONG-TERM REMUNERATION

The Annual General Meeting of 22 April 2021 approved, as part of the 2021 remuneration policy, the principle of awarding long-term remuneration in the form of awards of shares free of charge to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Martin Bouygues was not awarded any long-term remuneration given his personal circumstances, which already guarantee that his interests are aligned with those of the shareholders.

OTHER COMPONENTS OF REMUNERATION

Social protection

Martin Bouygues benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Contributions paid under those policies amounted to €4,582.56 in respect of the 2021 financial year.

Supplementary pension scheme

Contingent-rights pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of service prior to 1 January 2020)

Martin Bouygues was eligible for this pension scheme.

In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Due to the closure of the scheme and the freezing of scheme members' rights, the Chairman of the Board of Directors cannot accumulate any further rights under this pension scheme from 1 January 2020 onwards.

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

In accordance with the remuneration policy and pursuant to Article 5 of Order No. 2019-697 of 3 July 2019, Bouygues transferred the contingent rights under the scheme governed by Article L. 137-11 of the Social Security Code to a vested-rights scheme governed by Article L. 137-11-2 of the Social Security Code, the characteristics of which are described below in the section on the remuneration policy for the Chief Executive Officer; this means that the pension rights accumulated under the old scheme will, as a result of the transfer, no longer be contingent on the beneficiary still being with the Bouygues group when he takes retirement.

Vesting of rights under this scheme is subject to a performance condition.

Martin Bouygues has been unable to acquire any supplementary pension rights since 2019, as the vested rights he has accumulated to date have reached the cap set by the Board of Directors (eight times the annual social security ceiling).

The table below summarises the method used to determine pension rights for 2021:

Supplementary pension scheme		
Annual cap on vesting of pension rights = 0.92% of 2021 remuneration (Fixed + Annual Variable)		
Performance conditions		
Objective = Plan averages - 10% (average CNP forecast per the 2021, 2020 and 2019 plans)	If the average of actual CNP figures for 2021, 2020 and 2019 is more than 10% below the Objective, Pension rights = 0	If the average of actual CNP figures for 2021, 2020 and 2019 is equal to or greater than the Objective, Pension rights = 0.92%
<p style="text-align: center;">Linear interpolation between 0% and 0.92%</p>		

NB: Overall cap on pension rights = eight times social security ceiling (giving a cap of €329,088 in 2021).

OTHER FORMS OF REMUNERATION

Martin Bouygues received benefits in kind consisting of the use of a company car and the assignment of a part-time personal assistant and a chauffeur/security guard for his personal needs.

Those benefits amounted to €23,886 based on the valuation method used.

REMUNERATION FOR SERVING AS CHAIRMAN OF THE BOARD OF DIRECTORS

Martin Bouygues received annual remuneration of €70,000 for serving as the Chairman of the Board of Directors.

b. Remuneration paid by entities included in the scope of consolidation

He received no other remuneration paid by entities included in the scope of consolidation.

c. Relative weight of components of remuneration

Variable remuneration represented 37% of fixed remuneration for the 2021 financial year.

B. Executive pay ratio and trends in performance

Pay ratio between the remuneration of the Chairman and CEO and the average and median remuneration of Bouygues SA employees

In implementing the executive pay ratio disclosure requirements, Bouygues applied the provisions of Article L. 22-10-9 I 6° and 7° of the Commercial Code, and the guidance issued by Afep on 28 January 2020 and updated in February 2021. Both the Executive Officer's remuneration, and average and

median remuneration, were calculated on the basis of remuneration paid during the year.

In accordance with Article 26.2 of the Afep-Medef Code, the scope used covered more than 80% of the Group's workforce in France.

Table of ratios pursuant to Article L. 22-10-9 I 6° and 7° of the Commercial Code (year-on-year change)

Martin Bouygues Chairman	2017	2018	2019	2020	2021
Change in remuneration (%)	137%	11%	(1)%	(6)%	(39)%
Information for Bouygues SA scope (head office)					
Change in average employee remuneration (%)	5%	3%	(3)%	(9)%	3%
Ratio to average employee remuneration	13	14	14	15	9
Year-on-year change in ratio (%)	117%	8%	0%	7%	(40)%
Ratio to median employee remuneration	36	39	40	37	23
Year-on-year change in ratio (%)	125%	8%	3%	(8)%	(38)%
Additional information for Bouygues France scope (nearly 92% of the workforce)					
Change in average employee remuneration (%)	2%	3%	3%	0%	3%
Ratio to average employee remuneration	54	58	56	52	31
Year-on-year change in ratio (%)	135%	7%	(3)%	(7)%	(40)%
Ratio to median employee remuneration	67	72	69	64	38
Year-on-year change in ratio (%)	131%	7%	(4)%	(7)%	(41)%
Company performance					
Financial criterion	Net profit	Net profit	Net profit	Net profit	Net profit
Year-on-year change (%)	48%	21%	(10)%	(41)%	62%

- Only employees in post for all 12 months of the year in question were included when calculating these ratios. Note that the construction and roads activities, which account for the majority of the workforce, include a high proportion of site workers and of clerical, technical and supervisory staff.
- In accordance with the recommendations of the Afep-Medef Code, the scope used is the Bouygues group in France, which represents nearly 92% of the workforce (unchanged versus the workforce used to calculate the 2020 executive pay ratio).

Explanation:

- Because variable remuneration in respect of a given year is not paid until the following year, trends in annual executive remuneration and in the executive pay ratio for any one year should be compared with trends in company performance for the previous year.
- 2019/2018: 2019 net profit attributable to the Group was down due to a lower level of non-current income, mainly at Bouygues Telecom.
- 2020/2019: the reduction in net profit was attributable mainly to the Covid-19 crisis.
- 2021/2020: Martin Bouygues was confirmed in office as Chairman of the Board of Directors with effect from 17 February 2021.

C. Compliance with remuneration policy

The components of Martin Bouygues' remuneration comply with the arrangements determined by the Board of Directors on the recommendation of the Selection and Remuneration Committee, which together constitute the company's remuneration policy as approved by the Annual General Meeting on 22 April 2021 (fifth resolution, approved with 89.62% of the votes cast).

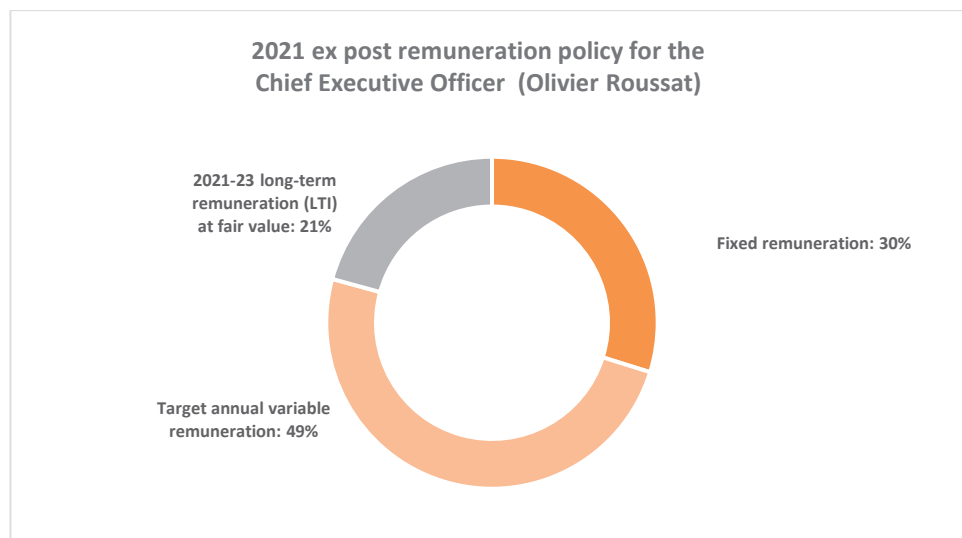
The company has not deviated from the procedure for implementing the remuneration policy as approved by the shareholders at the general meeting mentioned above.

The company has not made any exceptions to the remuneration policy.

2.4.2.2 2021 remuneration of Olivier Roussat

Presentation of the 2021 remuneration package of Olivier Roussat					
Fixed remuneration ^a	Annual variable remuneration ^a	Objective Lower bound (% fixed remuneration)	Objective Intermediate bound (% fixed remuneration)	Objective Upper bound (% fixed remuneration)	2021 outcome (% fixed remuneration)
€1,466,856	P1 – Current operating profit	12.5%	25%	35%	35%
	P2 – Net profit attributable to the Group	20%	40%	50%	50%
	P3 – Net surplus cash/net debt	15%	30%	40%	40%
	P4 – Strategy	15%	15%	15%	5.2%
	P5 – Non-financial	40%	40%	40%	35.6%
	▪ P5 – Compliance	10%	10%	10%	9.2%
	▪ P5 – CSR	15%	15%	15%	11.4%
	▪ P5 – Management	15%	15%	15%	15%
	TOTAL	102.5%	150%	180%	165.8% i.e. €2,432,047
	Long-term variable remuneration	Objective (number of shares)		2019-2021 outcome (number of shares)	
	A1 – Group current operating profit actual vs plan	15,000		0	
	A2 – Group net profit actual vs plan	15,000		3,307	
	A3 – Average Bouygues share price/CAC 40 (TSR)	10,000		0	
	TOTAL	40,000		3,307	
Benefits in kind	Collective death, disability and health cover	Supplementary pension scheme	Remuneration for serving as a director	Remuneration for serving as Chairman of Colas ^c	
€26,209	€4,582.56	0.92% of reference remuneration for 2021	€60,429	€20,000	

- (a) Given the change in his duties, Olivier Roussat's annual variable remuneration was apportioned on a pro rata temporis basis with effect from 17 February 2021.
 (b) See below for non-financial criteria and the attainment levels achieved.
 (c) Term of office expired on 16 February 2021.



A. Total remuneration and benefits of all kinds

a. Components of remuneration

FIXED REMUNERATION

For the 2021 financial year, Olivier Roussat received gross annual fixed remuneration of €1,466,856, calculated as follows:

- €167,749 for serving as a Deputy Chief Executive Officer until 17 February 2021; and
- €1,229,107 for serving as Chief Executive Officer from 17 February 2021.

VARIABLE REMUNERATION

The criteria for variable remuneration, and their relative weights and attainment levels, are shown in the summary table above.

As a reminder, the non-financial objectives for 2021 were:

- compliance, measured at 10% of fixed remuneration, for which three objectives were set: (i) update of risk mapping and evaluation of third parties with reference to French anti-corruption agency findings; (ii) direct interventions and statements by senior executives on the fight against corruption; and (iii) monitoring of sanctions imposed on employees found to have breached anti-corruption rules;
- CSR, measured at 15% of fixed remuneration, for which the three principal objectives set were: (i) improvement in the workplace accident rate; (ii) environmental and decarbonisation targets for each business segment; and (iii) implementation and monitoring of performance indicators for the 2021-2023 Gender Balance Plan; and
- managerial performance, measured at 15% of fixed remuneration, assessed primarily on the basis of (i) organisational response to the Covid-19 crisis; (ii) employee engagement and (iii) involvement in transverse Group-wide projects.

Following an assessment of those objectives, the Board meeting of 23 February 2022 determined that the level of attainment of those non-financial criteria was 35.6% of fixed remuneration.

Olivier Roussat is therefore eligible for gross annual variable remuneration of €2,432,047, calculated on a pro rata temporis basis, in respect of 2021.

The company did not seek any clawback of variable remuneration.

LONG-TERM REMUNERATION

The Annual General Meeting of 22 April 2021 approved, as part of the 2021 remuneration policy, the principle of awarding long-term remuneration in the form of awards of shares free of charge to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

The Board meeting of 25 August 2021, acting on the recommendation of the Selection and Remuneration Committee, awarded Olivier Roussat a maximum of 80,000 shares, subject to continuing employment and performance conditions measured over three years, and valued at a total of €1,020,608 on the date of the award.

In 2019, Bouygues ended the multi-year variable remuneration package to which Olivier Roussat had been entitled. Consequently, it was proposed that from 2019 (in line with the 2019 remuneration policy approved by the eleventh resolution of the Annual General Meeting of 25 April 2019) he should be granted a new long-term remuneration package.

The Board therefore assessed the performance conditions relating to that package for 2021, and determined that Olivier Roussat should be awarded 3,307 performance shares subject to approval at the next General Meeting.

OTHER COMPONENTS OF REMUNERATION

Social protection

Olivier Roussat benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Contributions paid under those policies amounted to €4,582.56 in respect of the 2021 financial year.

Supplementary pension scheme

Contingent-rights pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of service prior to 1 January 2020)

Olivier Roussat was eligible for this pension scheme.

Due to the closure of the scheme and the freezing of scheme members' rights, Olivier Roussat cannot accumulate any further rights under this pension scheme from 1 January 2020 onwards.

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

Olivier Roussat is eligible for this scheme, the characteristics of which – in particular, the performance conditions – are described above (see section 2.4.2.1 – Supplementary pension scheme).

The performance conditions for the 2021 financial year were met. Olivier Roussat therefore acquired pension rights equivalent to 0.92% of his reference remuneration.

The estimated amount of his annuity under the scheme as at 31 December 2021 is €27,037.

Pension rights accumulated under this scheme may not exceed the cap set by the Board of Directors at eight times the annual Social Security ceiling (giving a cap of €329,088 in 2021).

Retirement benefit scheme in the form of performance shares

At present, Olivier Roussat is entitled to benefits under this scheme, since the vested rights he has accumulated to date have reached the cap of eight times the annual social security ceiling. For the 2021 financial year, the Board meeting of 23 February 2022 approved an award to Olivier Roussat of a number of performance shares equal to his insurance premium divided by the quoted market price per Bouygues share on the day after the Annual General Meeting of 28 April 2022. The award of shares will take place after it has been approved by that meeting.

OTHER FORMS OF REMUNERATION

Olivier Roussat received benefits consisting of the use of a company car with chauffeur/security guard for business purposes, loss of earnings insurance, and a set number of hours of advice from a financial/wealth management consultant.

Those benefits amounted to €26,209 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Olivier Roussat received annual remuneration of €60,429 for serving as a director with Group subsidiaries.

b. Remuneration paid by entities included in the scope of consolidation

As mentioned above, Olivier Roussat received remuneration for serving as a director of companies within the Group.

Olivier Roussat also received fixed annual remuneration of €20,000 for serving as Chairman of the Board of Directors of Colas He ceased to hold that office on 16 February 2021.

B. Executive pay ratio and trends in performance

Pay ratio between the remuneration of the Chief Executive Officer and the average and median remuneration of Bouygues SA employees

In implementing the executive pay ratio disclosure requirements, Bouygues applied the provisions of Article L. 22-10-9 I 6° and 7° of the Commercial Code, and the guidance issued by Afep on 28 January 2020 and updated in February 2021. Both the Executive Officer's remuneration, and average and

median remuneration, were calculated on the basis of remuneration paid during the year.

In accordance with Article 26.2 of the Afep-Medef Code, the scope used covered more than 80% of the Group's workforce in France.

Table of ratios pursuant to Article L. 22-10-9 I 6° and 7° of the Commercial Code (year-on-year change)

Olivier Roussat Chief Executive Officer	2017	2018	2019	2020	2021
Change in remuneration (%)	83%	29%	(1)%	12%	(6)%
Information for Bouygues SA scope (head office)					
Change in average employee remuneration (%)	5%	3%	(3)%	(9)%	3%
Ratio to average employee remuneration	11	14	14	17	16
Year-on-year change in ratio (%)	83%	27%	0%	21%	(6)%
Ratio to median employee remuneration	30	38	39	44	42
Year-on-year change in ratio (%)	67%	27%	3%	13%	(5)%
Additional information for Bouygues France scope (nearly 92% of the workforce)					
Change in average employee remuneration (%)	2%	3%	3%	0%	3%
Ratio to average employee remuneration	46	57	55	61	56
Year-on-year change in ratio (%)	77%	24%	(4)%	11%	(8)%
Ratio to median employee remuneration	57	71	67	75	68
Year-on-year change in ratio (%)	78%	25%	(6)%	12%	(9)%
Company performance					
Financial criterion	Net profit	Net profit	Net profit	Net profit	Net profit
Year-on-year change (%)	48%	21%	(10)%	(41)%	62%

- Only employees in post for all 12 months of the year in question were included when calculating these ratios. Note that the construction and roads activities, which account for the majority of the workforce, include a high proportion of site workers and of clerical, technical and supervisory staff.
- In accordance with the recommendations of the Afep-Medef Code, the scope used is the Bouygues group in France, which represents nearly 92% of the workforce (unchanged versus the workforce used to calculate the 2020 executive pay ratio).

Explanation:

- Because variable remuneration in respect of a given year is not paid until the following year, trends in annual executive remuneration and in the executive pay ratio for any one year should be compared with trends in company performance for the previous year.
- 2019/2018: 2019 net profit attributable to the Group was down due to a lower level of non-current income, mainly at Bouygues Telecom.
- 2020/2019: the reduction in net profit was attributable mainly to the Covid-19 crisis. Olivier Roussat's remuneration package changed in order to reflect governance changes that took place in 2020 (the departure of two Deputy Chief Executive Officers, Olivier Bouygues and Philippe Marien).
- 2021/2020: Olivier Roussat was appointed as Chief Executive Officer with effect from 17 February 2021.

C. Compliance with remuneration policy

The components of Olivier Roussat's remuneration comply with the arrangements determined by the Board of Directors on the recommendation of the Selection and Remuneration Committee, which together constitute the company's remuneration policy as approved by the Annual General Meeting on 22 April 2021 (fifth resolution, approved with 89.62% of the votes cast).

The company has not deviated from the procedure for implementing the remuneration policy as approved by the shareholders at the general meeting mentioned above.

The company has not made any exceptions to the remuneration policy.

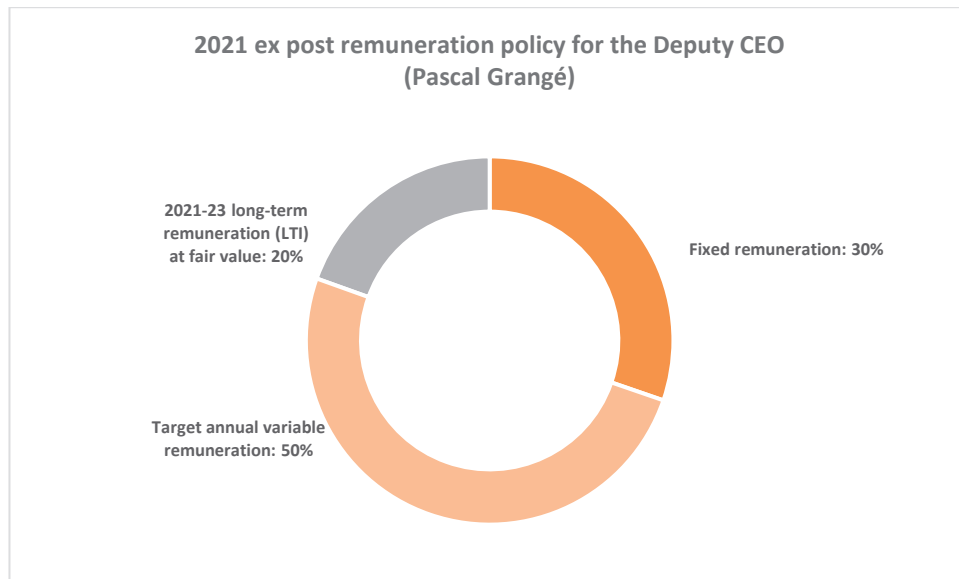
The remuneration paid contributes to the company's long-term performance insofar as (i) a portion of the remuneration is contingent on long-term performance and (ii) the criteria for variable and long-term remuneration are designed to support sustainable growth and a sound financial position, and hence are consistent with the Group's long-term strategy.

2.4.2.3 2021 remuneration of Pascal Grangé

Presentation of the 2021 remuneration package of Pascal Grangé					
Fixed remuneration ^a	Annual variable remuneration ^a	Objective Lower bound (% fixed remuneration)	Objective Intermediate bound (% fixed remuneration)	Objective Upper bound (% fixed remuneration)	2021 outcome (% fixed remuneration)
€791,060	P1 – Current operating profit	12.5%	25%	35%	35%
	P2 – Net profit attributable to the Group	20%	40%	50%	50%
	P3 – Net surplus cash/net debt	15%	30%	40%	40%
	P4 – Strategy	15%	15%	15%	5.2%
	P5 – Non-financial ^b	40%	40%	40%	35.6%
	▪ P5 – Compliance	10%	10%	10%	9.2%
	▪ P5 – CSR	15%	15%	15%	11.4%
	▪ P5 – Management	15%	15%	15%	15%
	TOTAL	102.5%	150%	180%	165.8% i.e. €1,311,577
Benefits in kind	Collective death, disability and health cover	Supplementary pension scheme		Remuneration for serving as a director	
€6,758	€3,955.72	0.92% of reference remuneration in respect of 2021		€170,735	

(a) Given his appointment as a Deputy Chief Executive Officer with effect from 17 February 2021, the fixed and annual variable remuneration of Pascal Grangé was apportioned on a pro rata temporis basis.

(b) See under Chief Executive Officer above for non-financial criteria and the attainment levels achieved.



A. Total remuneration and benefits of all kinds

FIXED REMUNERATION

For the 2021 financial year, Pascal Grangé received gross annual fixed remuneration of €791,060, calculated on a pro rata temporis basis, for serving as Deputy Chief Executive Officer with effect from 17 February 2021.

VARIABLE REMUNERATION

The criteria for variable remuneration, and their relative weights and attainment levels, are shown in the summary table above.

Following an assessment of those criteria, the Board meeting of 23 February 2022 determined that the level of attainment of non-financial criteria was 35.6% of fixed remuneration (see above for a reminder of the criteria).

Pascal Grangé is eligible for gross annual variable remuneration for 2021 of €1,311,577, calculated on a pro rata temporis basis.

The company did not seek any clawback of variable remuneration.

LONG-TERM REMUNERATION

The Annual General Meeting of 22 April 2021 approved, as part of the 2021 remuneration policy, the principle of awarding long-term remuneration in the form of awards of shares free of charge to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

The Board meeting of 25 August 2021, acting on the recommendation of the Selection and Remuneration Committee, awarded Pascal Grangé a maximum of 40,000 shares, subject to continuing employment and performance conditions measured over three years, and valued at a total of €510,304 on the date of the award.

OTHER COMPONENTS OF REMUNERATION

Social protection

Pascal Grangé benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Contributions paid under those policies amounted to €3,955.72 in respect of the 2021 financial year.

Supplementary pension scheme

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

Pascal Grangé is eligible for this scheme, the characteristics of which – in particular, the performance conditions – are described above (see section 2.4.2.1 – Supplementary pension scheme).

The performance conditions for the 2021 financial year were met. Pascal Grangé therefore acquired pension rights equivalent to 0.92% of his reference remuneration.

The estimated amount of his annuity under the scheme as at 31 December 2021 is €12,733.

Retirement benefit scheme in the form of performance shares

Pascal Grangé is not eligible for this scheme because the vested rights he has accumulated to date have not yet reached the required ceiling.

OTHER FORMS OF REMUNERATION

Pascal Grangé received benefits consisting of a company car with chauffeur/security guard for business purposes, and a set number of hours of advice from a financial/wealth management consultant.

Those benefits amounted to €6,758 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Pascal Grangé received annual remuneration of €170,735 for serving as a director with Group subsidiaries.

B. Executive pay ratio and trends in performance

Pay ratio between the remuneration of the Deputy CEO and the average and median remuneration of Bouygues SA employees

In implementing the executive pay ratio disclosure requirements, Bouygues applied the provisions of Article L. 22-10-9 I 6° and 7° of the Commercial Code, and the guidance issued by Afep on 28 January 2020 and updated in February 2021. Both the Executive Officer's remuneration, and average and

median remuneration, were calculated on the basis of remuneration paid during the year.

In accordance with Article 26.2 of the Afep-Medef Code, the scope used covered more than 80% of the Group's workforce in France.

Table of ratios pursuant to Article L. 22-10-9 I 6° and 7° of the Commercial Code (year-on-year change)

Pascal Grangé Deputy CEO	2017	2018	2019	2020	2021
Change in remuneration (%)	N/A	N/A	N/A	N/A	N/A
Information for Bouygues SA scope (head office)					
Change in average employee remuneration (%)	5%	3%	(3)%	(9)%	3%
Ratio to average employee remuneration	N/A	N/A	N/A	N/A	6
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Ratio to median employee remuneration	N/A	N/A	N/A	N/A	17
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Additional information for Bouygues France scope (nearly 92% of the workforce)					
Change in average employee remuneration (%)	2%	3%	3%	0%	3%
Ratio to average employee remuneration	N/A	N/A	N/A	N/A	22
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Ratio to median employee remuneration	N/A	N/A	N/A	N/A	27
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Company performance					
Financial criterion	Net profit	Net profit	Net profit	Net profit	Net profit
Year-on-year change (%)	48%	21%	(10)%	(41)%	62%

- Only employees in post for all 12 months of the year in question were included when calculating these ratios. Note that the construction and roads activities, which account for the majority of the workforce, include a high proportion of site workers and of clerical, technical and supervisory staff.
- In accordance with the recommendations of the Afep-Medef Code, the scope used is the Bouygues group in France, which represents nearly 92% of the workforce (unchanged versus the workforce used to calculate the 2020 executive pay ratio).

Explanation:

- Because variable remuneration in respect of a given year is not paid until the following year, trends in annual executive remuneration and in the executive pay ratio for any one year should be compared with trends in company performance for the previous year.
- 2019/2018: 2019 net profit attributable to the Group was down due to a lower level of non-current income, mainly at Bouygues Telecom.
- 2020/2019: the reduction in net profit was attributable mainly to the Covid-19 crisis.
- 2021/2020: Pascal Grangé was appointed as a Deputy Chief Executive Officer with effect from 17 February 2021.

C. Compliance with remuneration policy

The components of Pascal Grangé's remuneration comply with the arrangements determined by the Board of Directors on the recommendation of the Selection and Remuneration Committee, which together constitute the company's remuneration policy as approved by the Annual General Meeting on 22 April 2021 (fifth resolution, approved with 89.62% of the votes cast).

The company has not deviated from the procedure for implementing the remuneration policy as approved by the shareholders at the general meeting mentioned above.

The company has not made any exceptions to the remuneration policy.

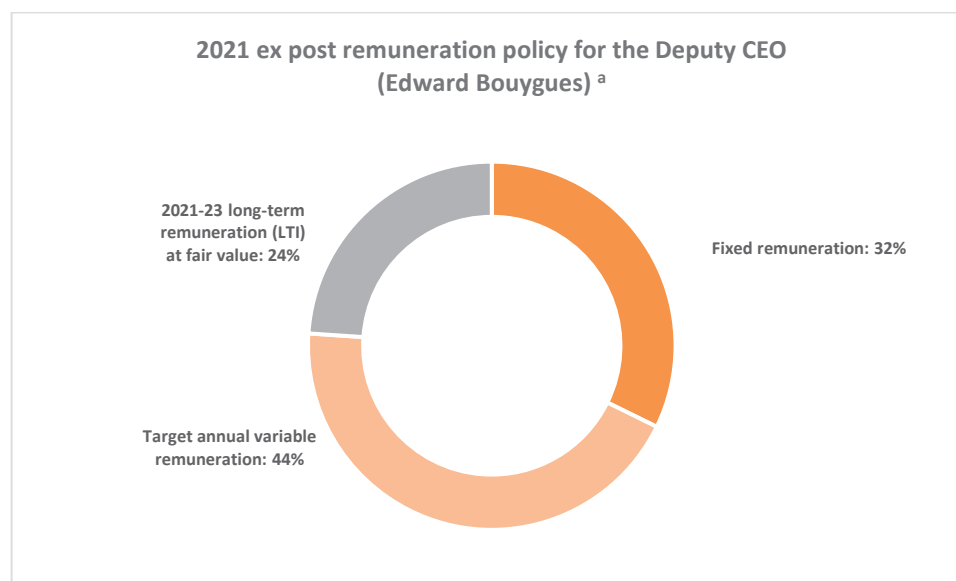
The remuneration paid contributes to the company's long-term performance insofar as (i) a portion of the remuneration is contingent on long-term performance and (ii) the criteria for variable and long-term remuneration are designed to support sustainable growth and a sound financial position, and hence are consistent with the Group's long-term strategy.

2.4.2.4 2021 remuneration of Edward Bouygues

Presentation of the 2021 remuneration package of Edward Bouygues						
Fixed remuneration ^a		Annual variable remuneration ^a	Objective Lower bound (% fixed remuneration)	Objective Intermediate bound (% fixed remuneration)	Objective Upper bound (% fixed remuneration)	2021 outcome (% fixed remuneration)
€343,939		P1 – Current operating profit	10%	15%	25%	25%
		P2 – Net profit attributable to the Group	20%	30%	40%	40%
		P3 – Net surplus cash/net debt	15%	20%	30%	30%
		P4 – Strategy	15%	15%	15%	5.2%
		P5 – Non-financial ^b	40%	40%	40%	35.6%
		▪ P5 – Compliance	10%	10%	10%	9.2%
		▪ P5 – CSR	15%	15%	15%	11.4%
		▪ P5 – Management	15%	15%	15%	15%
		TOTAL	100%	120%	150%	135.8% i.e. €467,070
Benefits in kind	Collective death, disability and health cover	Supplementary pension scheme	Remuneration for serving as a director		Remuneration from Bouygues Telecom	
€701	€1,977.85	0.92% of reference remuneration in respect of 2021	€60,500		€404,000	

(a) Given his appointment as a Deputy Chief Executive Officer with effect from 17 February 2021, the fixed and annual variable remuneration of Edward Bouygues was apportioned on a pro rata temporis basis.

(b) See under Chief Executive Officer above for non-financial criteria and the attainment levels achieved.



(a) These figures relate solely to his remuneration for serving as a corporate officer, and do not include remuneration under his employment contract.

A. Total remuneration and benefits of all kinds

a. Components of remuneration

FIXED REMUNERATION

For the 2021 financial year, Edward Bouygues received gross annual fixed remuneration of €343,939 calculated on a pro rata temporis basis, for serving as Deputy Chief Executive Officer with effect from 17 February 2021.

VARIABLE REMUNERATION

The criteria for variable remuneration, and their relative weights and attainment levels, are shown in the summary table above.

Following an assessment of those criteria, the Board meeting of 23 February 2022 determined that the level of attainment of non-financial criteria was 35.6% of fixed remuneration (see above for a reminder of the criteria).

Edward Bouygues is eligible for gross annual variable remuneration for 2021 of €467,070, calculated on a pro rata temporis basis.

The company did not seek any clawback of variable remuneration.

LONG-TERM REMUNERATION

The Annual General Meeting of 22 April 2021 approved, as part of the 2021 remuneration policy, the principle of awarding long-term remuneration in the form of awards of shares free of charge to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

The Board meeting of 25 August 2021, acting on the recommendation of the Selection and Remuneration Committee, awarded Edward Bouygues a maximum of 20,000 shares, subject to continuing employment and performance conditions measured over three years, and valued at a total of €255,152 on the date of the award.

OTHER COMPONENTS OF REMUNERATION

Social protection

Edward Bouygues benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Contributions paid under those policies amounted to €1,977.85 in respect of the 2021 financial year.

Supplementary pension scheme

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

Edward Bouygues is eligible for this scheme, the characteristics of which – in particular, the performance conditions – are described above (see section 2.4.2.1 – Supplementary pension scheme).

The performance conditions for the 2021 financial year were met. Edward Bouygues therefore acquired pension rights equivalent to 0.92% of his reference remuneration.

The estimated amount of his annuity under the scheme as at 31 December 2021 is €5,158.

Retirement benefit scheme in the form of performance shares

Edward is not eligible for this scheme because the vested rights he has accumulated to date have not yet reached the required ceiling.

OTHER FORMS OF REMUNERATION

Edward Bouygues receives a benefit in kind in respect of death and disability cover, valued at €701.

REMUNERATION FOR SERVING AS A DIRECTOR

Edward Bouygues received annual remuneration of €60,500 for serving as a director with Group subsidiaries.

b. Remuneration paid by entities included in the scope of consolidation

As mentioned above, Edward Bouygues received remuneration for serving as a director of companies within the Group.

Edward Bouygues also received annual fixed remuneration of €404,000 for his salaried position within Bouygues Telecom.

B. Executive pay ratio and trends in performance

Pay ratio between the remuneration of the Deputy CEO and the average and median remuneration of Bouygues SA employees

In implementing the executive pay ratio disclosure requirements, Bouygues applied the provisions of Article L. 22-10-9 I 6° and 7° of the Commercial Code, and the guidance issued by Afep on 28 January 2020 and updated in February 2021. Both the Executive Officer's remuneration, and average and

median remuneration, were calculated on the basis of remuneration paid during the year.

In accordance with Article 26.2 of the Afep-Medef Code, the scope used covered more than 80% of the Group's workforce in France.

Table of ratios pursuant to Article L. 22-10-9 I 6° and 7° of the Commercial Code (year-on-year change)

Edward Bouygues Deputy CEO	2017	2018	2019	2020	2021
Change in remuneration (%)	N/A	N/A	N/A	N/A	N/A
Information for Bouygues SA scope (head office)					
Change in average employee remuneration (%)	5%	3%	(3)%	(9)%	3%
Ratio to average employee remuneration	N/A	N/A	N/A	N/A	3
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Ratio to median employee remuneration	N/A	N/A	N/A	N/A	7
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Additional information for Bouygues France scope (nearly 92% of the workforce)					
Change in average employee remuneration (%)	2%	3%	3%	0%	3%
Ratio to average employee remuneration	N/A	N/A	N/A	N/A	9
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Ratio to median employee remuneration	N/A	N/A	N/A	N/A	11
Year-on-year change in ratio (%)	N/A	N/A	N/A	N/A	N/A
Company performance					
Financial criterion	Net profit	Net profit	Net profit	Net profit	Net profit
Year-on-year change (%)	48%	21%	(10)%	(41)%	62%

- Only employees in post for all 12 months of the year in question were included when calculating these ratios. Note that the construction and roads business, which account for the majority of the workforce, include a high proportion of site workers and of clerical, technical and supervisory staff.
- In accordance with the recommendations of the Afep-Medef Code, the scope used is the Bouygues group in France, which represents nearly 92% of the workforce (unchanged versus the workforce used to calculate the 2020 executive pay ratio).

Explanation:

- Because variable remuneration in respect of a given year is not paid until the following year, trends in annual executive remuneration and in the executive pay ratio for any one year should be compared with trends in company performance for the previous year.
- 2019/2018: 2019 net profit attributable to the Group was down due to a lower level of non-current income, mainly at Bouygues Telecom.
- 2020/2019: the reduction in net profit was attributable mainly to the Covid-19 crisis.
- 2021/2020 : Edward Bouygues was appointed as a Deputy Chief Executive Officer with effect from 17 February 2021.

C. Compliance with remuneration policy

The components of Edward Bouygues' remuneration comply with the arrangements determined by the Board of Directors on the recommendation of the Selection and Remuneration Committee, which together constitute the company's remuneration policy as approved by the Annual General Meeting on 22 April 2021 (fifth resolution, approved with 89.62% of the votes cast).

The company has not deviated from the procedure for implementing the remuneration policy as approved by the shareholders at the general meeting mentioned above.

The company has not made any exceptions to the remuneration policy as approved by the shareholders at the general meeting mentioned above.

The remuneration paid contributes to the company's long-term performance insofar as (i) a portion of the remuneration is contingent on long-term performance and (ii) the criteria for variable and long-term remuneration are designed to support sustainable growth and a sound financial position, and hence are consistent with the Group's long-term strategy.

2.4.2.5 Director's remuneration for 2021

A. Total remuneration and benefits of all kinds

a. Components of remuneration

The remuneration paid to directors in respect of the 2021 financial year is described below in Table No. 3 in section 2.4.2.7, Overview of remuneration of corporate officers.

DIRECTORS REPRESENTING EMPLOYEES AND DIRECTORS REPRESENTING EMPLOYEE SHAREHOLDERS

The salaries paid to directors representing employee shareholders (who have an employment contract with Bouygues or one of its subsidiaries), and to directors representing employees, are not disclosed.

The other directors who receive remuneration from an entity included in the scope of consolidation are listed below:

Edward Bouygues	Director	Remuneration paid by a subsidiary	€12,500
Olivier Bouygues	Director	Remuneration paid by a subsidiary	€53,484
Colette Lewiner	Director	Remuneration paid by a subsidiary	€32,000

c. Relative weight of components of remuneration

The directors did not receive any variable or exceptional remuneration in respect of the 2021 financial year.

B. Compliance with remuneration policy

The components of the directors' remuneration comply with the arrangements determined by the Board of Directors on the recommendation of the Selection and Remuneration Committee, which

b. Remuneration paid by entities included in the scope of consolidation

Remuneration paid by entities included in the scope of consolidation to Executive Officers has been described above.

Remuneration paid to directors representing employees or directors representing employee shareholders is not disclosed.

together constitute the company's remuneration policy as approved by the Annual General Meeting on 22 April 2021 (sixth resolution, approved with 99.96% of the votes cast).

2.4.2.6 Components of remuneration paid or awarded in respect of 2021 and submitted to a vote at the Annual General Meeting of 28 April 2022 pursuant to Article L. 22-10-34 III of the Commercial Code

Components of the remuneration of Martin Bouygues, Chairman and CEO until 17 February 2021 and subsequently Chairman of the Board of Directors, paid or awarded in respect of the 2021 financial year and submitted to the Annual General Meeting of 28 April 2022 for approval (Resolutions 9 and 11)

	Amount/ accounting value €	Comments
Fixed remuneration	547,589	For the 2021 financial year, Martin Bouygues received gross annual fixed remuneration calculated on a pro rata temporis basis as follows: <ul style="list-style-type: none"> • €123,214 for serving as Chairman and Chief Executive Officer until 17 February 2021; and • €424,375 for serving as Chairman of the Board of Directors from 17 February 2021.
Annual variable remuneration	204,289	The criteria, and the attainment levels achieved, are described in section 2.4.2.1 above. Martin Bouygues is eligible for gross annual variable remuneration of €204,289, calculated on a pro rata temporis basis, for serving as Chairman and Chief Executive Officer until 17 February 2021. That variable remuneration will be paid subject to approval at the Annual General Meeting of 28 April 2022.
Multi-year variable remuneration	N/A	No multi-year variable remuneration awarded in 2021.
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	N/A	No stock options, performance shares or other long-term remuneration awarded in respect of the year.
Remuneration for serving as a director	70,000	
Valuation of benefits in kind	23,886	Company car with chauffeur/security guard and part-time personal assistant.
For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure		
	Amount/ accounting value €	Comments
Severance benefit	N/A	No severance benefit.
Non-competition indemnity	N/A	No non-competition indemnity.
Social protection scheme	4,582.56	The company paid a contribution of €4,582.56 into this scheme.
Supplementary pension scheme	N/A	The pension scheme to which Martin Bouygues is entitled is described in section 2.4.1.2 of this Universal Registration Document.

N/A: not applicable.

Components of the remuneration of Olivier Roussat, Deputy Chief Executive Officer until 17 February 2021 and subsequently Chief Executive Officer, paid or awarded in respect of the 2021 financial year and submitted to the Annual General Meeting of 28 April 2022 for approval (Resolutions 10 and 12)

	Amount/ accounting value €	Comments
Fixed remuneration	1,466,856	For the 2021 financial year, Olivier Roussat received gross annual fixed remuneration calculated on a pro rata temporis basis as follows: <ul style="list-style-type: none"> • €167,749 for serving as a Deputy Chief Executive Officer until 17 February 2021; and • €1,299,107 for serving as Chief Executive Officer from 17 February 2021.
Annual variable remuneration	2,432,047	The criteria, and the attainment levels achieved, are described in section 2.4.2.1 above. Olivier Roussat is eligible for gross annual variable remuneration of €2,432,047, calculated on a pro rata temporis basis, in respect of 2021. That variable remuneration will be paid subject to approval at the Annual General Meeting of 28 April 2022.
Multi-year variable remuneration	N/A	No multi-year variable remuneration awarded in 2021.
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	1,020,608	The Board meeting of 25 August 2021, acting on the recommendation of the Selection and Remuneration Committee, awarded Olivier Roussat a maximum of 80,000 shares, subject to performance conditions measured over three years, as described in section 2.4.2.2 above. In 2019, Bouygues ended the multi-year variable remuneration package to which Olivier Roussat had been entitled. Consequently, it was proposed that (in line with the 2019 remuneration policy) he should be granted a new long-term remuneration package. After an assessment of the performance criteria, Olivier Roussat will be awarded 3,307 shares in respect of the 2021 financial year, subject to approval at the Annual General Meeting of 28 April 2022.
Remuneration for serving as a director	Remuneration paid by subsidiaries: 60,429	
Remuneration for serving as Chairman of the Board of Directors of Colas	20,000	Olivier Roussat ceased to hold office as the Chairman of the Board of Directors of Colas on 16 February 2021.
Valuation of benefits in kind	26,209	Company car with chauffeur/security guard, loss of earnings insurance, set number of hours of advice from tax/wealth management consultant, and death and disability cover.
For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure		
	Amount/ accounting value €	Comments
Severance benefit		No severance benefit.
Non-competition indemnity		No non-competition indemnity.
Social protection scheme	4,582.56	The company paid a contribution of €4,582.56 into this scheme.
Supplementary pension schemes		Olivier Roussat belongs to a supplementary pension scheme giving entitlement to an annual pension equal to 0.92% of the reference salary per year in the scheme, subject to performance conditions and capped at eight times the social security ceiling (giving a cap of €329,088 for 2021). Following the transfer of his contingent rights under a scheme governed by Article L. 137-11 of the Social Security Code to a vested-rights scheme governed by Article L. 137-11-2 of the Social Security Code (the characteristics of which are described in the section of this Universal Registration Document on the remuneration policy for the Chief Executive Officer), the pension benefits accumulated under the scheme are no longer contingent on his still being with the Bouygues group when he retires. The Board meeting of 17 February 2021 introduced a supplementary pension scheme in the form of an award of performance shares, which applies to beneficiaries under the vested-rights pension scheme who have reached eight times the social security ceiling (€329,088 for 2021). The rights accumulated by Olivier Roussat have reached that ceiling. For the 2021 financial year, the Board meeting of 23 February 2022 approved an award to Olivier Roussat of a number of shares equal to his insurance premium divided by the quoted market price per Bouygues share on the day after the Annual General Meeting of 28 April 2022. The award of shares will take place after it has been approved by that meeting.

N/A: not applicable.

Components of the remuneration of Pascal Grangé, Deputy Chief Executive Officer since 17 February 2021, paid or awarded in respect of the 2021 financial year and submitted to the Annual General Meeting of 28 April 2022 for approval (Resolution 13)

	Amount/ accounting value €	Comments
Fixed remuneration	791,060	Pascal Grangé was appointed as a Deputy Chief Executive Officer with effect from 17 February 2021. Pascal Grangé's fixed remuneration for the 2021 financial year was apportioned on a pro rata temporis basis.
Annual variable remuneration	1,311,577	The criteria, and the attainment levels achieved, are described in section 2.4.2.1 above. Pascal Grangé is eligible for gross annual variable remuneration for 2021 of €1,311,577, calculated on a pro rata temporis basis. That variable remuneration will be paid subject to approval at the Annual General Meeting of 28 April 2022.
Multi-year variable remuneration	N/A	No multi-year variable remuneration.
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	510,304	The Board meeting of 25 August 2021 , acting on the recommendation of the Selection and Remuneration Committee, awarded Pascal Grangé a maximum of 40,000 shares, subject to continuing employment and performance conditions measured over three years, as described in section 2.4.2.3 above.
Remuneration for serving as a director	Remuneration paid by subsidiaries: 170,735	
Valuation of benefits in kind	6,758	Company car with driver/security guard, set number of hours of advice from tax/wealth management consultant, and death and disability cover.
For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure	Amount/ accounting value €	Comments
Severance benefit		No severance benefit.
Non-competition indemnity		No non-competition indemnity.
Social protection scheme	3,955.72	The company paid a contribution of €3,955.72 into this scheme.
Supplementary pension schemes		Pascal Grangé, on the same basis and subject to the same conditions as the other members of the Group Management Committee, belongs to a supplementary pension scheme giving entitlement to an annual pension equal to 0.92% of the reference salary per year in the scheme, capped at eight times the social security ceiling (giving a cap of €329,088 for 2021). Following the transfer of his contingent rights under a scheme governed by Article L. 137-11 of the Social Security Code to a vested-rights scheme governed by Article L. 137-11-2 of the Social Security Code (the characteristics of which are described in the section of this Universal Registration Document on the remuneration policy for the Chief Executive Officer), the pension benefits accumulated under the scheme are no longer contingent on his still being with the Bouygues group when he retires. The Board meeting of 17 February 2021 introduced a supplementary pension scheme in the form of an award of performance shares, which applies to beneficiaries under the vested-rights pension scheme who have reached eight times the social security ceiling (€329,088 for 2021). To date, the rights accumulated by Pascal Grangé have not reached that ceiling. In accordance with the decision made at the Board meeting of 23 February 2022 noting the attainment of the performance conditions, Pascal Grangé has acquired rights equal to 0.92% of his reference remuneration under the scheme governed by Article L. 137-11-2 of the Social Security Code.

N/A: not applicable.

Components of the remuneration of Edward Bouygues, Deputy Chief Executive Officer since 17 February 2021, paid or awarded in respect of the 2021 financial year and submitted to the Annual General Meeting of 28 April 2022 for approval (Resolution 14)

	Amount/ accounting value €	Comments
Fixed remuneration	343,939	Edward Bouygues was appointed as a Deputy Chief Executive Officer with effect from 17 February 2021. The fixed remuneration of Edward Bouygues for the 2021 financial year was apportioned on a pro rata temporis basis.
Annual variable remuneration	467,070	The criteria, and the attainment levels achieved, are described in section 2.4.2.1 above. Edward Bouygues is eligible for gross annual variable remuneration for 2021 of €467,070, calculated on a pro rata temporis basis. That variable remuneration will be paid subject to approval at the Annual General Meeting of 28 April 2022.
Multi-year variable remuneration	N/A	No multi-year variable remuneration.
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	255,152	The Board meeting of 25 August 2021 acting on the recommendation of the Selection and Remuneration Committee, awarded Edward Bouygues a maximum of 20,000 shares, subject to continuing employment and performance conditions measured over three years, as described in section 2.4.2.3 above.
Remuneration for serving as a director	Remuneration paid by subsidiaries: 60,500	
Remuneration for salaried post within Bouygues Telecom	404,000	Edward Bouygues received annual remuneration of €404,000 for his salaried position within Bouygues Telecom.
Valuation of benefits in kind	701	Death and disability cover.
For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure	Amount/ accounting value €	Comments
Severance benefit		No severance benefit.
Non-competition indemnity		No non-competition indemnity.
Social protection scheme	1,977.85	The company paid a contribution of €1,977.85 into this scheme.
Supplementary pension schemes		Edward Bouygues, on the same basis and subject to the same conditions as the other members of the Group Management Committee, belongs to a supplementary pension scheme giving entitlement to an annual pension equal to 0.92% of the reference salary per year in the scheme, capped at eight times the social security ceiling (giving a cap of €329,088 for 2021). Following the transfer of his contingent rights under a scheme governed by Article L. 137-11 of the Social Security Code to a vested-rights scheme governed by Article L. 137-11-2 of the Social Security Code (the characteristics of which are described in the section of this Universal Registration Document on the remuneration policy for the Chief Executive Officer), the pension benefits accumulated under the scheme are no longer contingent on his still being with the Bouygues group when he retires. The Board meeting of 17 February 2021 introduced a supplementary pension scheme in the form of an award of performance shares, which applies to beneficiaries under the vested-rights pension scheme who have reached eight times the social security ceiling (€329,088 for 2021). To date, the rights accumulated by Edward Bouygues have not reached that ceiling. In accordance with the decision made at the Board meeting of 23 February 2022 noting the attainment of the performance conditions, Edward Bouygues has acquired rights equal to 0.92% of his reference remuneration under the scheme governed by Article L. 137-11-2 of the Social Security Code.

N/A: not applicable.

2.4.2.7 Overview of remuneration of corporate officers

Summary table: remuneration, stock options and shares awarded to each Executive Officer (Afep-Medef Code Table No. 1)

€	Martin Bouygues (Chairman)		Olivier Roussat (CEO)		Pascal Grangé (Deputy CEO)		Edward Bouygues (Deputy CEO)	
	in 2021	in 2020	in 2021	in 2020	in 2021	in 2020	in 2021	in 2020
Remuneration awarded in respect of the year (see Table No. 2 for details)	845,765	1,904,763	3,985,541	2,514,357	2,280,130		872,210	
Valuation of options awarded during the year ^a								
Valuation of performance shares awarded during the year ^b			1,020,608	418,800	510,304		255,152	
Total	845,765	1,904,763	5,006,149	2,933,157	2,790,434		1,127,362	

(a) No options were awarded to the Executive Officers in 2020 or 2021.

(b) In accordance with the 2021 remuneration policy, Olivier Roussat, Pascal Grangé and Edward Bouygues were awarded shares free of charge subject to performance conditions; for details of those awards, see section 2.4.2.2 (Olivier Roussat), 2.4.2.3 (Pascal Grangé) and 2.4.2.4 (Edward Bouygues).

Summary table: remuneration awarded to each Executive Officer (Afep-Medef Code Table No. 2)

Office held and length of service with the Group	Remuneration	2021 €		2020 €	
		Awarded	Paid	Awarded	Paid
Martin Bouygues	Fixed	547,589	547,589	920,000	920,000
Chairman (47 years)	Annual variable	204,289	874,000	874,000	1,472,000
	Multi-year variable ^a				
	Remuneration for serving as a director ^b	70,000	70,000	79,713	79,713
	Benefits in kind	23,886	23,886	31,050	31,050
	Total	845,765	1,515,475	1,904,763	2,502,763
Olivier Roussat	Fixed	1,466,856	1,466,856	1,250,000	1,250,000
CEO (26 years)	Annual variable	2,432,047	1,187,500	1,187,500	1,472,000
	Multi-year variable ^a	1,020,608		418,800	128,200
	Remuneration for serving as a director ^b	60,429	60,429	56,400	56,400
	Benefits in kind	26,209	26,209	20,457	20,457
	Total	5,006,149	2,740,994	2,933,157	2,927,057
Pascal Grangé	Fixed	791,060	791,060		
Deputy CEO (36 years)	Annual variable	1,311,577			
	Multi-year variable ^a	510,304			
	Remuneration for serving as a director ^b	170,735	170,735		
	Benefits in kind	6,758	6,758		
	Total	2,790,434	968,553		
Edward Bouygues	Fixed	343,939	343,939		
Deputy CEO (13 years)	Annual variable	467,070			
	Multi-year variable ^a	255,152			
	Remuneration for serving as a director ^b	60,500	60,500		
	Benefits in kind	701	701		
	Total	1,127,362	405,141		

(a) In accordance with the 2019 remuneration policy, multi-year variable remuneration for Executive Officers was discontinued with effect from 2019. For Olivier Roussat, this was replaced by long-term remuneration in the form of an award of shares free of charge subject to performance conditions.

(b) Remuneration awarded for serving on the Board of Directors of Bouygues SA and/or its subsidiaries (Colas, TF1 and Bouygues Telecom).

Table showing remuneration for serving as a director (formerly known as directors' fees) in respect of the 2021 financial year

€		Source (Notes 1 & 2)	2021	2020
Martin Bouygues	Chairman	Paid by Bouygues	70,000	70,000
		Paid by subsidiaries		9,713
Olivier Bouygues	Director	Paid by Bouygues	48,000	48,000
		Paid by subsidiaries	53,484	54,000
Raphaëlle Deflesselle	Director	Paid by Bouygues	48,000	48,000
			15,000	15,000
Charlotte Bouygues	Director	Paid by Bouygues		26,608
		Paid by subsidiaries		27,287
Edward Bouygues	Director	Paid by Bouygues	48,000	21,392
		Paid by subsidiaries	12,500	12,500
Cyril Bouygues	Director	Paid by Bouygues	48,000	21,392
William Bouygues	Director	Paid by Bouygues		26,608
Francis Castagné	Director	Paid by Bouygues		26,331
				6,129
Pascaline de Dreuzy	Director	Paid by Bouygues	30,181	
			23,465	
Clara Gaymard	Director	Paid by Bouygues	48,000	48,000
			29,132	19,000
Anne-Marie Idrac	Director	Paid by Bouygues	17,859	48,000
			15,944	49,000
Colette Lewiner	Director	Paid by Bouygues	48,000	48,000
			30,000	30,000
		Paid by subsidiaries	32,000	32,000
Helman le Pas de Sécheval	Director	Paid by Bouygues		17,950
				18,046
Benoît Maes	Director	Paid by Bouygues	48,000	30,050
			53,000	34,362
Béatrice Besombes	Director	Paid by Bouygues	48,000	21,669
Bernard Allain	Director	Paid by Bouygues	48,000	21,669
			15,000	8,538
Alexandre de Rothschild	Director	Paid by Bouygues	41,280	48,000
Rose-Marie Van Lerberghe	Director	Paid by Bouygues	48,000	48,000
			25,132	15,000
Michèle Vilain	Director	Paid by Bouygues	48,000	48,000
			19,000	19,000
TOTAL		Paid by Bouygues	912,993	881,743
		Paid by subsidiaries	97,984	135,500
		Total	1,010,977	1,017,243

N/a: not applicable.

Note 1: Remuneration paid by Bouygues = remuneration paid for presence on the Bouygues Board of Directors. The first line shows remuneration paid in respect of Board meetings. The second line shows remuneration paid in respect of membership of one or more committees.

Note 2: Remuneration paid by subsidiaries = remuneration paid by Group companies, within the meaning of Article L. 233-16 of the Commercial Code (Colas, TF1 and Bouygues Telecom).

Table showing performance shares awarded during the year to each Executive Officer (Afep-Medef Code Table No. 6)

	Plan No. and date	Number of shares awarded during the year	Valuation of shares based on method used in the consolidated financial statements	Vesting date	Date available for sale	Performance conditions
Oliver Roussat	2021	80,000	€1,020,608	2024 AGM	N/A	See section 5.4.1.2 of the 2020 URD
Pascal Grangé	2021	40,000	€510,304	2024 AGM	N/A	See section 5.4.1.2 of the 2020 URD
Edward Bouygues	2021	20,000	€255,152	2024 AGM	N/A	See section 5.4.1.2 of the 2020 URD

N/A: not applicable.

Shares that became available during the year for each Executive Officer (Afep-Medef Code Table No. 7)

Not currently applicable.

Past awards of performance shares (Afep-Medef Code Table No. 8)

Plan concerned	2021 Plan
Date of AGM	22 April 2021
Date of Board meeting	25 August 2021
Total number of shares awarded	229,000
• of which to Olivier Roussat	80,000
• of which to Pascal Grangé	40,000
• of which to Edward Bouygues	20,000
Vesting date of shares	After the 2024 AGM
End of lock-up period	N/A
Performance conditions	See section 5.4.1.2 of the 2020 URD
Price per share on the date of the award (€)	35.55

N/A: not applicable.

Summary table: commitments in favour of Executive Officers (Afep-Medef Code Table No. 11)

Executive Officer	Contract of employment	Supplementary pension scheme	Indemnities or other benefits due or liable to become due on cessation or change of office	Non-competition indemnities
Martin Bouygues Chairman and Chief Executive Officer until 17 February 2021, and Chairman of the Board of Directors from that date	No	Yes	No	No
Olivier Roussat Deputy Chief Executive Officer until 17 February 2021, and Chief Executive Officer from that date	Suspended from 1 September 2016	Yes	No	No
Pascal Grangé Deputy Chief Executive Officer from 17 February 2021	Suspended from 17 February 2021	Yes	No	No
Edward Bouygues Deputy Chief Executive Officer from 17 February 2021	Yes ^a	Yes	No	No

(a) Contract of employment with Bouygues Telecom.

2.5 OTHER INFORMATION

2.5.1 Factors likely to have an impact on any public tender offer price

Pursuant to Article L. 225-37-5 of the Commercial Code, the factors likely to have an impact on the offer price in any potential tender offer or public exchange offer relating to Bouygues' shares are set out below:

- **capital structure:** information relating to Bouygues' capital structure and voting rights is set out below (sections 5.2 and 5.3 of this Universal Registration Document). The main shareholders of Bouygues are SCDM and company employees. In view of their respective weight, the votes of these shareholders could have an impact on the outcome of any public tender offer for the capital of Bouygues;
 - **restrictions in the articles of association on the exercise of voting rights and the transfer of shares:** Article 8.3 of the articles of association, summarised below in section 5.1.2.5, makes provision to suspend the voting rights of shareholders who fail to declare that they have crossed a threshold of at least 1% (or a multiple of 1%) of the capital or voting rights. This restriction could have an impact in the event of a public tender offer;
 - **direct or indirect holdings in the share capital** of which Bouygues is aware, pursuant to Articles L. 233-7 and L. 233-12 of the Commercial Code: the relevant information is set out below in section 5.3.1;
 - **a list of owners of any security with special control right, with a description of those rights:** in accordance with law, double voting rights are granted subject to the conditions stipulated by law to shares that can be shown to have been registered for at least two years in the name of the same shareholder;
 - **control mechanisms stipulated within employee share ownership plans:** the regulations of the various employee share ownership funds created by Bouygues stipulate that voting rights are exercised by the Supervisory Boards of those funds and not directly by employees. Those employee share ownership funds held 28.9% of the voting rights at 31 December 2021;
 - **agreements between shareholders** of which Bouygues is aware and which could result in restrictions on the transfer of shares and in the exercise of voting rights: not applicable;
 - **rules applicable to the appointment and replacement of members of the Board of Directors:** see above in section 2.3.1;
 - **rules applicable to changes in the company's articles of association:** Article L. 225-96 of the Commercial Code specifies that only an extraordinary general meeting has the power to change the articles of association. Any clause to the contrary is deemed null and void;
 - **powers of the Board of Directors with respect to issuance of shares:** refer to the table summarising financial authorisations in section 2.3.8. It is specified that the Combined Annual General Meeting of 22 April 2021 (Resolution 30) delegated powers to the Board of Directors to issue equity warrants during a public tender offer for the company's shares. The Combined Annual General Meeting of 28 April 2022 will be asked to renew this authorisation (see section 7.2).
- In addition, the Board of Directors is authorised by law, during the period of a public tender offer, to take any measures that are within its prerogative and in the interest of the company to frustrate such an offer;
- **powers of the Board of Directors with respect to share buybacks:** the Combined Annual General Meeting of 22 April 2021 (Resolution 15) authorised the Board of Directors to trade in the company's shares, including during a public tender offer for the company's shares, representing up to 5% of the company's share capital at the date on which the authorisation is used. The Combined Annual General Meeting convened for 28 April 2022 will be asked to replace this authorisation by a further authorisation with the same purpose (see section 5.2.4.2);
 - **agreements entered into by Bouygues, which will be modified or expire in the event of a change of control of Bouygues:** the 20-year sterling bonds maturing in 2026, the ten-year bonds maturing in 2022, the ten-year bonds maturing in 2023, and the ten-and-a-half year bonds maturing in 2027 all include a change of control clause providing for the early redemption of the bonds in the event of a change of control of Bouygues, accompanied by a rating downgrade.
- In addition:
- a change in the capital structure of Bouygues could potentially jeopardise TF1's licence to operate a national terrestrial television broadcasting service. Article 41-3-2 of the Act of 30 September 1986 governing audiovisual media specifies that any natural or legal person who controls, within the meaning of Article L. 233-3 of the Commercial Code, any company that holds such a licence, or that has placed a company holding such a licence under its authority or dependency, is deemed to be the holder of that licence. Article 42-3 adds that the licence may be withdrawn without notice if there is any substantive change in the circumstances on the basis of which the licence was granted, including changes in capital structure,
 - all the decisions and orders licensing Bouygues Telecom to establish and operate its wireless network and provide services to the public (the decision of 5 November 2009 relating to the 900 and 1800 MHz bands, the order of 3 December 2002 relating to the 2.1 GHz band, and the decisions of 11 October 2011 relating to the 2.6 GHz band, of 17 January 2012 relating to the 800 MHz band, of 8 December 2015 relating to the 700 MHz band and of 12 November 2020 relating to the 3.5 GHz band) stipulate that Arcep (the French telecommunications regulator) must be informed immediately of any change to any of the information contained in the licence application, so that the regulator can check whether that change is compatible with the terms of the licence. The information contained in the licence application includes the share ownership structure of the company (or companies) that directly or indirectly controls (or control) the licence-holder. In addition, any change in the capital or voting rights of Bouygues that results in a single individual or entity controlling the combined bandwidth of two operators could lead Arcep to re-examine the validity of the licences awarded to Bouygues Telecom;
- **agreements entitling members of the Board of Directors or employees to compensation if they resign or leave the company without real and serious cause, or if their employment comes to an end as a result of a public tender offer:** not applicable.

2.5.2 Rules on shareholder participation in general meetings of shareholders

As required by Article L. 225-37-4 of the Commercial Code, the rules on shareholder participation in general meetings as contained in Article 19 of the Bouygues articles of association are reproduced below.

Article 19: Holding general meetings of shareholders

19.1 Ordinary and extraordinary general meetings, and any special meetings, shall be convened and held and shall deliberate on the conditions stipulated by law.

Meetings shall be held in Paris or at Challenger, 1 avenue Eugène-Freyssinet, 78280 Guyancourt (France).

Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by a director specially empowered for the purpose by the Board of Directors. Failing that, the meeting shall elect its own Chairman.

19.2 Any shareholder may attend meetings on the conditions stipulated by law.

19.3 Any shareholder satisfying the conditions required for attendance at meetings may alternatively choose to be represented on the conditions stipulated by law.

19.4 Any shareholder may alternatively vote by correspondence on the conditions stipulated by law. Postal vote forms shall be accepted only if actually received by the company at its registered office or at an address determined in the Notice of Meeting and the Convening Notice published in the *Balo (Bulletin des Annonces Légales Obligatoires)* no later than the third day preceding the meeting.

If the Board of Directors so decides, shareholders may take part in the meeting by videoconference or any other means of telecommunication that enables them to be identified on the conditions stipulated by the applicable regulations. In such cases the company will accept electronic remote vote forms that must be received no later than 3.00pm (CET) on the day preceding the general meeting.

19.5 Owners of company shares who are not resident on French territory may be shareholders of record and may be represented at general meetings by any intermediary registered on their behalf and holding a general authorisation to manage securities, provided that such intermediary declared that it was acting as an intermediary holding securities for third parties when it opened its account either with the company or with the account-holding financial intermediary, in accordance with the applicable law and regulations.

The company shall be entitled to ask intermediaries that are registered on behalf of shareholders not resident on French territory and that hold a general authorisation to manage securities to provide a list of the shareholders they represent and whose voting rights may be exercised at the meeting.

Votes or proxies shall not be counted if they are cast by an intermediary that has failed to declare itself as such in accordance with the applicable law and regulations or with the present articles of association or that has not disclosed the identity of the owners of the securities.

2.5.3 Agreements entered into by senior executives or shareholders of Bouygues with subsidiaries or sub-subsidiaries

Under Article L. 225-37-4 of the Commercial Code, the Report on corporate governance must disclose any agreements (other than those covering day-to-day operations carried out under normal business conditions) entered into directly or through a third party between:

- a corporate officer of Bouygues or a shareholder with more than 10% of the voting rights of Bouygues; and
- a company of which Bouygues directly or indirectly holds more than 50% of the share capital.

The company is not aware of any such agreements.

However, in the interests of full disclosure, shareholders are hereby informed that in April 2012, Actifly (in which SCDM holds an indirect interest of 85%) entered into an agreement with Airby (a subsidiary in which

Bouygues holds an indirect interest of 85%) setting out the conditions under which Actifly can use an aircraft owned or operated by Airby on the same financial terms as Bouygues and its subsidiaries. This agreement is renewable automatically from year to year.

Amounts (before taxes) invoiced by Airby to Actifly under this agreement during the last three financial years:

- 2021: €267,750
- 2020: €251,417
- 2019: €502,250

STATEMENT ON NON-FINANCIAL PERFORMANCE (SNFP)

3

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3.1 THE BOUYGUES GROUP'S CORPORATE SOCIAL RESPONSIBILITY POLICY

Chapter 3 of this Universal Registration Document contains the Bouygues group's key CSR indicators and related information. Further information can be found by visiting bouygues.com or consulting the CSR documentation of the individual business segments available on their respective websites^a.

3.1.1 Group CSR policy

Delivering state-of-the-art, innovative solutions for meeting sustainable development challenges, and therefore to foster progress for society as a whole, is a major avenue of growth for Bouygues. Corporate social responsibility, or CSR, at the Bouygues group also means limiting and reducing the negative impacts from its activities on the environment and society. This includes direct and indirect impacts on ecosystems as well as factoring in stakeholder expectations.

As a result, corporate social responsibility (CSR) has become central to strategy at the Group, which is adapting its business models to offer customers solutions that enhance people's daily lives.

The practices applied by each of the Bouygues group's business segments in the human resources, environmental and social spheres are more tangible proof of this commitment. Initiatives are coordinated with the help of verified indicators that are audited on a regular basis for purposes of compliance and continuous improvement (see section 3.6 – Independent verifier's report - of this chapter).

The Group has for the fourth year running complied with the requirements of the statement on non-financial performance (SNFP), which is based on the transposition of the EU CSR Directive.

Updated in late 2019, the Bouygues group's materiality matrix ranks its main CSR challenges according to their importance to external and internal stakeholders and their impact on its business operations. This is also used to collate the core Group CSR challenges addressed by the policies of its five business segments.

Consolidation was possible at Group level following the materiality analysis by each business segment (see below). This allows internal and external stakeholders to corroborate the importance allotted to recognised challenges while broadening the analysis of risks and opportunities – from

environmental, staff-related and social angles – to encompass the entire value chain. Challenges are then consolidated and harmonised at Group level. More details about the method for consolidating the materiality matrix is available in the Sustainable development section on bouygues.com.

Bouygues, in its business activities, factors in the United Nations Sustainable Development Goals (SDGs) and pledges to attain them by:

- reducing the negative externalities from its business activities; and
- maximising the positive effects, mainly through internally developed solutions as well as best practices.

The Group is aware of the impact of its activities on all the highlighted challenges and accordingly focuses on SDGs linked to urban environments, infrastructure, climate change and sustainable economic growth, which dovetail with the objectives of its core businesses. In 2021, Bouygues stepped up initiatives towards achieving SDGs 5, 12 and 16 in addition to 8, 9, 11 and 13, which are deemed priorities by its stakeholders (see table below relating to these challenges) according to the results of the materiality analysis. The table presented cross-references the challenges shown on the matrix with the earlier consolidation of the Bouygues group's CSR challenges as a way of highlighting the transition and affirming the continuity between each process.

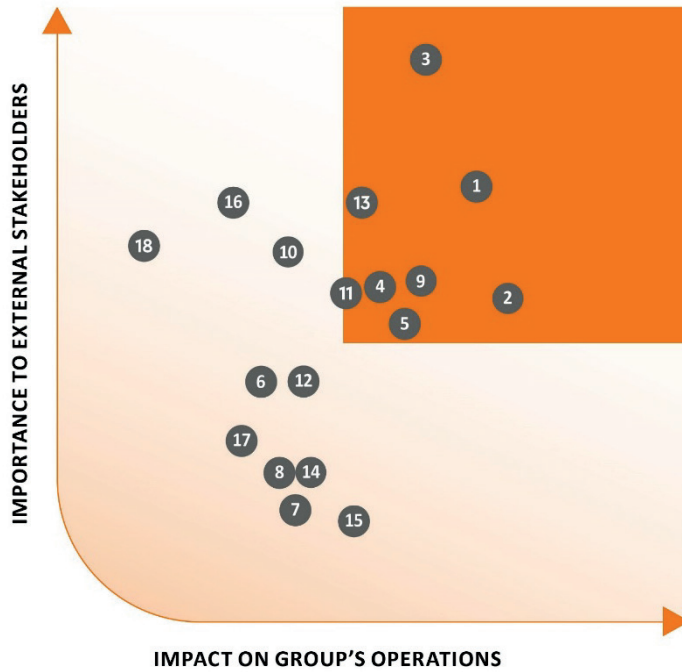
This chapter outlines some of the emblematic initiatives conducted by the Group and its business segments in the fulfilment of SDGs.

The policies and associated indicators relating to these issues are described hereafter. A table correlating the Group's most significant CSR challenges with quantitative indicators is shown together with the other concordance tables at the end of this report.

(a) bouygues-construction.com, bouygues-immobilier-corporate.com, colas.com, groupe-tf1.fr, corporate.bouyguestelecom.fr











Below, the challenges marked in bold type correspond to the priority challenges identified in the materiality matrix.

Bouygues group's materiality matrix ^a



- 1 - Business ethics, respect for Human rights and compliance**
- 2 - Climate risk**
- 3 - Quality of customer and user experience**
- 4 - Health and safety, and quality of life at work**
- 5 - The circular economy, raw materials and waste management
- 6 - Water
- 7 - Adjustment to climate change
- 8 - Responsible purchasing and relations with economic partners
- 9 - Innovation capacity
- 10 - Impact of digital technology and integration into products and services
- 11 - New uses and adaptability of business models
- 12 - Health impact of products and services
- 13 - Use of personal data and cybersecurity
- 14 - Local presence and the socio-economic development of regions
- 15 - Environmental impact of business activities
- 16 - Skills and employability
- 17 - Diversity, equality and social cohesion
- 18 - Employee dedication and intrapreneurship

(a) System used to identify and rank CSR challenges based on importance to stakeholders and impacts on the Group's business segments.

	THEMES SUGGESTED BY THE MATRIX	SDG
Governance challenges Section 3.4	Business ethics, respect for human rights and compliance (1) Section 3.4.1	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 
	Use of personal data and cybersecurity (13) Section 3.4.1	
	Responsible purchasing and relations with partners (8) Section 3.4.5	8 DECENT WORK AND ECONOMIC GROWTH 
Environmental challenges Section 3.3	Climate/energy risk (2) Section 3.3.2	13 CLIMATE ACTION 
	Adjustment to climate change (7) Section 3.3.1	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 
	The circular economy, raw materials and waste management (5) Section 3.3.4	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 
	Water (6) Paragraph 3.3.4.2	
	Environmental impact of business activities (15) Section 3.3.3	13 CLIMATE ACTION 
	Prospecting-related challenges Sections 3.3 and 3.4	Innovation capacity (9) Paragraphs 3.3.2.5, 3.4.4.3 and 3.4.3.1
	New uses and adaptability of business models (11) Section 3.3.2	
	Impact of digital technology and integration into products and services (10) Paragraphs 3.3.1.3 and 3.4.2.3	
Stakeholder-related challenges Section 3.4	Quality of customer and user experience (3) Section 3.4.2 and paragraph 3.4.4.1	11 SUSTAINABLE CITIES AND COMMUNITIES 
	Health impact of products and services (12) Section 3.4.2	11 SUSTAINABLE CITIES AND COMMUNITIES 
	Local presence and the socio-economic development of regions (14) Section 3.4.3 and paragraph 3.4.4.1	8 DECENT WORK AND ECONOMIC GROWTH 
Human resources challenges Section 3.2	Health and safety, and quality of life at work (4) Section 3.2.2	
	Skills and employability (16) Section 3.2.4	
	Diversity, equality and social cohesion (17) Section 3.2.3	5 GENDER EQUALITY 
	Employee dedication and intrapreneurship (18) Section 3.2.3 and paragraph 3.2.4.4	

The above summary highlights the non-financial risks and opportunities across the Group's diverse array of sectors of activity, from construction to media and telecommunications, as identified by updated research in 2019.

3.1.2 CSR oversight

Within the Bouygues group, HR, environmental and social issues are handled separately by the subsidiaries, which are closer to the specific challenges pertaining to their operations.

Monitoring and overall coordination of initiatives is provided at parent-company level (Bouygues SA) by the Ethics, CSR and Patronage Committee, and by the Group Sustainable Development-Quality Safety Environment (QSE) department.

- The Bouygues Board of Directors has an Ethics, CSR and Patronage Committee, comprising three directors and chaired by Rose-Marie Van Lerberghe. The committee meets several times a year to consider the patronage applications put forward by Bouygues SA, and present an opinion thereto, as well as to report on the progress made by the CSR strategy.
- The membership of the Sustainable Development & CSR Committee, chaired by Edward Bouygues (Deputy CEO of the Bouygues group), comprises the Sustainable Development and CSR directors of the Group's five business segments. It coordinates intra-Group policies and investigates ways in which underlying sustainable development trends can reshape business models and support innovation, in accordance with the sector challenges faced by the business segments.
- Comprising representatives from the five business segments, the non-financial and CSR Reporting Committee assists in the preparation of the Bouygues Universal Registration Document by identifying major Group-wide challenges relating to CSR, creating appropriate non-financial indicators and collecting the relevant information. It also oversees and ensures the reliability of the data collection and consolidation process.
- In January 2021, a Climate and Biodiversity Strategy Committee was created. It is likewise chaired by Edward Bouygues and comprises representatives from the sustainable development and departments within the Group's five business segments. The purpose of this committee is to monitor progress on action plans and track achievements in reducing greenhouse gas emissions and in terms of biodiversity preservation.
- Finally, at each Bouygues group Annual General Meeting, Martin Bouygues presents the most significant sustainable development targets, actions and indicators of the previous year.

The Group Sustainable Development-QSE department oversees general policy, in conjunction with the support departments of Bouygues' business segments, and disseminates best practice information. The aforementioned Group-wide committees, seminars and conferences, organised and coordinated by this Group-wide department, are useful opportunities for dialogue and monitoring policies.

Edward Bouygues is responsible for Group-wide sustainable development initiatives. The Group Sustainable Development-Quality Safety Environment (QSE) department works in close conjunction with all the Group's support departments.

Finally, all Group-wide thematic committees systematically consider sustainable development challenges in the context of their own business

activities. This includes sharing industry best practices and taking into consideration the economic challenges linked to sustainable development. It can therefore be said that CSR strategy is factored in at all governance levels within the Group.

Within the Bouygues group's five business segments, coordination of CSR challenges is handled jointly by the Human Resources and Sustainable Development/Environment departments of the business segments themselves, reporting to:

- the Digital transformation, IT systems, Innovation and Sustainable development department (Bouygues Construction);
- the Communication, brand and CSR department (Bouygues Immobilier);
- the Responsible Development and Innovation department (Colas);
- the HR and CSR department (TF1);
- the corporate department, overseeing public relations, communications and CSR (Bouygues Telecom).

Each of the Group's business segments coordinates a network of liaison officers that, for example, sit on Group-wide committees. Each business segment implements its own strategy and monitors its CSR policies.

In the field, HR, QSE and Purchasing teams, as well as the whole network of operational liaison officers from the Sustainable Development teams of each business segment, spearhead the Group's CSR policies, with a focus on keeping risks under control.

In 2021, Colas launched the ACT project, standing for Act and Commit Together, which embodies its eight CSR pledges out to 2030. The Colas CSR department is responsible for managing and implementing this project. Every single CSR pledge is overseen at Colas group level by a project manager, who manages their roadmap in conjunction with liaison officers in the operating units. Each entity (business unit and business line) within Colas is then responsible for enacting the CSR pledges at operational level and tracking progress. The entities can be supported by a CSR liaison officer, depending on their organisational structure.

In 2018, Bouygues Construction published its CSR roadmap, which includes clearly defined targets. The roadmap is entitled "Responsible and committed" and is integrated into the overall CSR strategy. In 2020, Bouygues Construction refocused its roadmap goals around 12 priorities: health & safety; exemplarity of operations; ethics; energy and carbon; biodiversity; the circular economy; responsible sourcing; fundamental human rights; diversity and quality of life at work; employability and local foothold; social responsibility; and openness to society.

In 2020, Bouygues Immobilier released its CSR strategy, "Positive Impact", covering the 2020-2025 period. This roadmap aims to meet the major CSR challenges by minimising negative impacts on the environment (climate change, biodiversity and natural resources) and maximising positive impacts in the places where it operates through renewed business practices. The five key commitments of Bouygues Immobilier's CSR strategy enshrine the corporate policy to oversee long-term transformation of the company's business activities.

(a) See also www.bouygues-construction.com/editorial/responsible-engage (in French only).

3.1.3 CSR reporting methodology

CSR reporting is one of the preferred ways in which the Bouygues group monitors and coordinates its CSR policies.

Just as roll-out of these policies and initiatives is itself delegated to the individual business segments, so that they can deal with the distinctive challenges they face, the Group's reporting policy is built on decentralisation and accountability when being implemented by each business segment.

To ensure the CSR reporting procedure and the qualitative and quantitative information published by the Group is both uniform and reliable, a reporting protocol covering non-financial information is updated annually in consultation with each business segment. The protocol is then updated to take account of the committees' findings.

The protocol specifies the methodology to be used when collecting data for the indicators of the Human Resources, Environmental and Social components of this chapter, namely definition, scope, units, computation formula and contributors. It is the handbook used by all participants in the Group reporting procedure.

Coverage rates of HR reporting indicators in 2021

To factor in the various challenges faced by the business segments as well as local constraints, human resources reporting has four different types of scope:

- **Global (1)**, which covers 100% of the workforce. In 2021, 32% of indicators had this scope;
- **France (2)**, which covers 53% of the workforce. In 2021, 60% of indicators had this scope ;
- **Non-France companies with over 300 employees (3)**, comprising 59 firms representing 39% of the Group headcount and 83.1% of the international workforce. In 2021, 4% of indicators had this scope;
- **France companies and non-France companies with over 300 employees (4)**, comprising 92% of the workforce. In 2021, 4% of indicators had this scope;

Social and environmental reporting in 2021

Two types of indicator comprise the Group's environmental and social reporting:

- indicators for which information is consolidated at Group level, namely indicators that can apply to all the Group's business segments, for which all, or the majority of, business segments provide their own quantitative data.
- indicators specific to a business segment or to a line of business therein.

Indicator coverage rate for Bouygues Construction

Companies that are fully consolidated and those in which the equity interest is 50% or more are consolidated on a 100% basis in the non-financial reporting. In 2021, the coverage rate of Bouygues Construction's reporting is 96%. The remaining 4% is due to the following exemptions:

- companies in which the equity interest is below 50% and companies accounted for by the equity method (except for the projects of Bouygues Travaux Publics where it has formed a cooperation structure such as a

construction project company in which its stake is higher than 30% – in this case Bouygues Travaux Public is consolidated in the non-financial reporting according to the amount of its equity interest);

- companies acquired or formed within the past two years;
- companies subject to specific rules defined for certain entities, such as:
 - Bouygues Bâtiment International: at the operating unit level, structures where the headcount is less than 10 and/or without a production activity are not included in the non-financial reporting; consortium/construction project company/joint venture projects and contracts where Bouygues Bâtiment International is not the lead firm and operating and maintenance contracts are not included in the non-financial reporting;
 - Bouygues Bâtiment France Europe: for consortium/construction project company/JV contracts with outside companies for which Bouygues Bâtiment France Europe is the lead firm, information is reported according to the stake held by the operating unit (OU). Information is not reported if Bouygues Bâtiment France Europe is not the lead firm for such projects;
 - At Bouygues Energies & Services, structures whose sales are less than €10 million are not included in the non-financial reporting, unless the sum of the sales figures of the excluded structures exceeds 5% of the total sales figure at Bouygues Energies & Services. For projects that are shared with one or several companies outside Bouygues Energies & Services, the volumes of waste collected and recycled are reported when the project represents an order intake of above €3 million and when the operating unit is in charge of waste management. For the other projects, waste is handled by agencies. For the indicators relating to measures taken in favour of biodiversity and the number of partnerships created, only projects that represent an order intake of above €3 million are included in the reporting
 - For the TopSite label, projects are only reported by the lead operating unit of the project.
 - Bouygues Travaux Publics: projects meeting the following criteria are excluded: those lasting strictly less than six months during the reporting period, those that have been active for less than six months, those that are more or equal to 90%-completed by October of the previous year and those construction project company/consortium projects in which the stake is less than 30%;
 - Bouygues Bâtiment France Europe, Bouygues Bâtiment International, VSL: only when the operating unit is the lead firm must the information be reported
 - The Concessions division (to be consistent with financial reporting).

(a) The France scope includes French overseas territories (French Polynesia, Saint Barthélemy, Saint Martin, Saint-Pierre-et-Miquelon, and Wallis and Futuna), mainland France and the French overseas departments (Guadeloupe, French Guiana, Martinique, Mayotte and Reunion Island). Clipperton Island, the French Southern and Antarctic Lands and New Caledonia are therefore excluded.

Indicator coverage rate for Colas

Concerning the environment, social and energy-related areas, Colas indicators use a global scope that includes all companies and joint ventures indiscriminately, even in cases where Colas only holds a minority stake (except for TPCO, listed on the Bangkok stock exchange). This scope also includes materials production companies with sales below €2 million even though they are not included in the financial consolidation. Data from some of the joint ventures in which Colas is the minority partner could not be included in the non-financial reporting without this having a material impact on the published indicators.

Indicator coverage rate for Bouygues Immobilier

Environmental and social indicators cover the full scope of Bouygues Immobilier in France and abroad. In 2021, at Bouygues Immobilier, the reporting coverage rate as a proportion of sales is 94.3% when overseas

subsidiaries (Belgium, Spain and Poland) are excluded. This rate drops to 88.8% when the French subsidiaries (Loticis, Patrignani, SLC, Urbis and Wojo) are also excluded.

Indicator coverage rate for TF1


Environmental indicators at TF1 (excluding the carbon audit) do not include Newen and Unify, which represent some 42% of the headcount in the TF1 group of companies.

Indicator coverage rate for Bouygues Telecom

Environment and social indicators refer to the "Bouygues Telecom group" scope by default, in application of the consolidation rules.

An exception to this is the "Bouygues Telecom SA" scope, which corresponds to Bouygues Telecom minus its subsidiaries.

3.1.4 Main components of the SNFP

 Because it meets specific criteria, Bouygues SA has to publish a statement on non-financial performance. This current statement outlines and ratifies the Group's entire CSR policy in keeping with the new legislation, which has five pillars (see SNFP pictogram outside of this chapter).

- a presentation of the business model (see section 1.1 of Chapter 1);

- a summary table of the key CSR challenges for the Group's diversified business activities (see section 3.1.1);
- a presentation of policies (see sections 3.2 to 3.4 below);
- a presentation of performance indicators (see sections 3.2 to 3.4 below), and
- the Taxonomy report, published in connection with the Taxonomy Regulation (EU) 2020/852 .

(a) Regulation (EU) 2020/852 of the European Parliament and of the European Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

3.2 HUMAN RESOURCES INFORMATION

Headcount by region at 31 December 2021

Scope ^a : Global	Bouygues SA ^b and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
France	492	21,996	1,537	29,105	3,384	9,612	66,126	66,117
Europe (excl. France)	18	14,431	102	9,729	479	358	25,117	24,823
Africa and the Middle East	105	5,935	0	7,318	22	31	13,411	11,762
North America	2	1,023	0	7,932	59	2	9,018	8,400
Central and South America	87	412	0	558	4	0	1,061	1,240
Asia-Pacific	21	9,116	0	769	12	0	9,918	16,676
International	233	30,917	102	26,306	576	391	58,525	62,901
France + International	725	52,913	1,639	55,411	3,960	10,003	124,651	129,018

(a) Coverage rate: 100% of the Group's headcount (Scope 1).

(b) o/w holding company: 199.

Indicators available at bouygues.com: Number of temporary and occasional workers as full-time equivalents (France), Headcount by type of contract (permanent and temporary – France), Headcount by job category (France).

*The decrease in headcount mainly resulted from reduced business activity at **Bouygues Construction** in Asia-Pacific and Central/South America.*

*The headcount in France was stable. It was higher at **Bouygues Telecom** (+4.7%) in connection with increased business activity and the roll-outs of fibre and 5G.*

"At Bouygues, people are our most important resource. Since their motivation and competence are key to our success and progress, the quality of human interaction is fundamental..." (Extract from the Group's Human Resources Charter).

The Human Resources policy supports the Group's strategy by combining human capital and business performance. The key responsibilities of Human Resources at Bouygues are to maintain a safe working environment, to encourage diversity in the workplace and to support career development for all employees. It ensures that ethical labour relations are followed across all business segments, supported by a strong culture that unites Group employees around four fundamental values: respect, trust, creativity and imparting expertise.

With 47% of total employees located outside France, the Group goes to great lengths to foster excellent labour relations with employee representatives, in compliance with International Labour Organisation (ILO) conventions.

Base labour relations on constant and constructive dialogue

Trade unions and other employee representative bodies are essential for progressive labour relations within the Group. Holding constant dialogue with these bodies lays the groundwork for constructive ties. High-quality labour relations is a particularly strong point for Bouygues' business segments in their various sectors of activity.

Resources available to trade unions, in addition to those allocated by each business segment, were determined at Group level by a 2005 agreement. Employee representative bodies in the different business segments are supplemented by the Group Council in France (30 representatives from various works councils and ESC around the Group) and the European Works Council (26 representatives from 14 countries).

As privileged forums for meetings between union representatives and Group executives, they provide an opportunity for forthright discussions

about the Group's business and financial prospects and about developments relating to jobs, HR policy, health and safety.

In 2021, the European Works Council was able to start meeting in person again, in full compliance with the rules on health passes and social distancing.

An informative interactive workshop ("*La Fresque du Climat*") was used in 2021 to raise awareness among members of the Group Council, France about sustainable development and climate change. As of last year, the Group's Climate strategy is systematically being included on its agenda.

The Group has extensive employee representation (4,070 elected representatives and 367 bodies) and is used to seeing high turnouts at workplace elections (83.9% in 2021) – far higher than in France on a nationwide level (38.24% in March 2021 according to France's National Council on Labour Relations).

Because each of its businesses is so different, collective bargaining within the Group has naturally evolved by business segment so that agreements stay as close as possible to each one's requirements and limitations.

In 2021, **182** agreements were signed or renewed, underscoring the dynamic state of labour relations within the Group. In total, **11%** of these agreements governed labour relations, **58%** remuneration, **15%** worktime arrangements, **9%** quality of life at work and diversity/gender balance, and **7%** other issues.

At Group level, the agreement governing the renewal of the European Works Council, which covered mainly its composition and working methods, was signed and agreed to unanimously.

Employee representative bodies were consulted on two future-shaping deals: the planned acquisition of Equans and the proposed merger between TF1 and M6. A positive opinion was given on both undertakings.

In France, besides the agreements signed by the Group's subsidiaries covering worktime organisation, the following two agreements were signed:

- A one-year voluntary profit-sharing agreement by **Bouygues Construction** entities. This agreement – adapted to each line of business – improves the sums distributed once the first performance-related thresholds are reached, under a policy giving employees more of a stake in the financial results achieved by their respective entities.
- An agreement standardising the status of employees within **Colas France**, in connection with its formation effective 1 January 2021.

The period during which employees could opt for the mutually agreed termination arrangements introduced by the Colas group's collective agreement of 6 August 2020 expired on 31 December 2020. Over 450 employees took advantage of this opportunity, with departures staggered until 30 September 2021.

Comply with ILO conventions

The Bouygues group promotes the fundamental conventions of the ILO as well as human rights in the countries where it operates. Signed in 2006, the UN Global Compact recognises freedom of association and the right to collective bargaining while seeking to eliminate discrimination and forced and child labour. Each year, the Group reaffirms its commitment to these objectives.

At the time of joining, every employee is asked to familiarise themselves with the Code of Ethics and the Human Resources Charter, available in-house or by visiting bouygues.com. In sometimes complex circumstances, operational managers have a duty to prevent any infringement of human rights in areas relating to their activity. The whistleblowing facility set up under the Group's Code of Ethics can be used to report serious violations of human rights and fundamental freedoms. The Bouygues group also requires its suppliers and subcontractors to respect ILO conventions (see section on Purchasing in chapter 3 and on Duty of vigilance in chapter 4 in this document).

Combating illegal labour is a priority at **Bouygues Construction**, on the basis of a policy enforced by its legal, human resources, construction and finance departments.

For example, to combat illegal labour and speed up access controls, Bouygues Construction continues to use "Echeckin", a worksite access system. Subcontractors and suppliers are also being asked to use the system, which is being rolled out to Bouygues Construction worksites everywhere.

The TopSite internal labelling scheme (see section 3.3) requires construction sites to implement checks to make sure that none of the Group's or its subcontractors' employees are in a situation of forced, undeclared or child labour. Bouygues Construction also uses "Attestation Légale", a platform for collecting administrative documents (some of which concern the prevention of illegal labour), to make sure that its subcontractors comply with their French legal obligations.

Due to its many locations worldwide, Bouygues Construction has to ensure that it complies with local labour law regarding its employees through local Human Resources managers in its entities.

Bouygues Construction defines the standards for worksite living quarters on international construction sites, in line with ILO recommendations, in a special handbook shared by all its entities. Regular inspections are carried out and compliance with these standards is a mandatory criterion for obtaining the Top Site label. Bouygues Construction's living quarters guidelines, set out in a single handbook shared by all its subsidiaries, prohibit identity papers from being confiscated and lay down the health & safety and accommodation standards for site workers.

In long-established southern hemisphere operations (Madagascar and western and central Africa), **Colas** takes a proactive stance on healthcare through a policy covering employees, their families and local populations. In Madagascar, Mauritius and the Comoros, local labour rules comply with the basic principles enshrined in these countries' constitutions as well as with international labour standards as laid down in ILO conventions and declarations.

Freedom of association and the right to collective bargaining

In countries where ILO conventions governing trade union rights and freedoms have not been ratified, all subsidiaries aim to implement arrangements that give employees a voice. This is because the Group strongly believes that high-grade dialogue between labour and management is the cornerstone of harmonious relations in the workplace. Of the international subsidiaries that have more than 300 employees, over 65% have an employee consultation body.

At international **Colas** entities, particularly in Europe and Africa, three-quarters of companies employing over 300 people had employee representation at a similar level as in France.

In North and West Africa, situations vary. In Benin, Ivory Coast and Gabon, dialogue is channelled through employee representatives. In Morocco and Senegal, where no provision for employee representation exists, methods for communicating more directly with employees such as notices, memos, mailings, staff meetings and site visits) are used instead.

In Southern Africa, where testing economic conditions were again worsened by the pandemic, labour relations were conducted directly with employees, without going through trade unions. These meetings smoothed the way for accepting changes in working conditions.

In Mauritius, a welfare committee – set up in 2018 – is formed of 12 members from all employee grades, appointed annually. It holds regular meetings with employees. Its purpose is to encourage the subsidiary to get involved in social and environmental action, including helping disadvantaged people, collecting and donating blood, helping to mitigate oil slicks, and planting trees and plants.

In the Middle East, a weekly on-line discussion forum (HR with U) was held during the pandemic to encourage and improve legally prescribed dialogue. It has since been maintained on a monthly basis.

In South America (Chile and Peru), labour relations are nurtured with the help of regular meetings.

3.2.1 Attracting and recruiting future talent

3.2.1.1 The challenge of a stretched labour market

Given the labour shortages in France and internationally, hiring new employees has proven a challenge for the Group as it seeks to support growth in its business activities.

The Bouygues group operates an active policy for recruiting and onboarding tomorrow's talents across its various core businesses.

The Group's companies make use of employee referrals, digital channels (social media and job boards) and prospecting outside the office (through job fairs, employment forums and after-work events). Each subsidiary endeavours to develop joint representation with other subsidiaries when possible, organising recruitment events by theme. All of the Group's career opportunities can be accessed from [bouygues.com](https://www.bouygues.com), which helps publicise the opportunities on offer from all the Group's business segments. At any given time, over 1,400 job openings are available, both in France and abroad.

Most of its business segments have set up special talent acquisition units, aiming to support line and HR managers with their ambitious recruitment drives. To help them in this task, they make use of digital resources to detect both experienced professionals and new graduates.

Three specific avenues are pursued by the Group to enhance its image: relations with academic institutions, hosting work/study trainees and developing the Gustave Eiffel apprentice training centre.

3.2.1.2 Build constructive relations with the academic world

Part of the Bouygues group's appeal as an employer stems from its close ties with higher-education establishments and leading academic institutions, both in France and abroad. The Group's partnerships with educational establishments are a pivotal part of its CSR strategy, making it a primary contact on all issues connected with innovation and sustainable development.

Since 2014, on the basis of partnership agreements, the Bouygues group has supported CentraleSupélec in its development.

In 2020, the Bouygues group and HEC Paris^a set up the "Smart City and the Common Good" academic chair. One of its goals is to help convey a people-focused vision of the smart city to future decision-makers. Several initiatives were conducted throughout the 2020/2021 academic year, including new intake sponsorship, internships and workshop participation.

In 2021, the Bouygues group pledged support for Essec by partnering its "Circular Economy" academic chair.

Bouygues Construction has formed partnerships with several institutions, especially Insa^b Strasbourg and EPF (for three years) and ESITC^c (for five years). This improves access to potential future applicants and provides a way of forging strong ties with a variety of academic institutions – through coaching workshops, site visits and classroom talks.

The recruitment policy in place at **Colas** relies heavily on partnerships with many higher-education establishments and universities. The aim is to foster close relations with students, offering them the chance to undertake internships and work/study contracts, with potentially a job at the end of the process. Colas last year continued strengthening relations with engineering schools, university technology institutes and other two-year higher education programmes in civil engineering and public works, as well as with institutions like Centre d'Égletons, a training school for civil works professions. In 2021, partnerships were renewed with École des ponts ParisTech (ENPC), CentraleSupélec, Arts et Métiers ParisTech (Ensam), École spéciale des travaux publics, du bâtiment et de l'industrie Paris (ESTP), ESITC Paris, Institut catholique d'arts et métiers (Icam) and the Junia programme at HEI Lille.

New partnership agreements were signed with École nationale des travaux publics de l'État (ENTPE), École catholique d'arts et métiers La Salle (ECAM LaSalle) and IMT Nord Europe (Institut Mines-Télécom).

Colas maintains a network of ambassadors, comprising employees participating in initiatives implemented alongside partner institutions, including lectures, "La Fresque du Climat" workshops and student challenges.

In Africa, a large proportion of hires are brought on board through employee referrals and the work of recruitment agencies. Colas also prioritised direct meetings with higher-education establishments once health restrictions had been lifted. Several meetings were held with the Mohamed VI construction school to promote the recruitment of young female interns into front-line professions.

To strengthen ties with students, **TF1** implemented a four-pillar "Campus" strategy: remote and in-person forums, teaching by ambassadors in academic institutions on watch-lists (approximately 100 employees conducting some 50 sessions each year), TV studio visits (news bulletin, 24-hour news channel LCI, etc.) and specific partnerships with the Essec "Media and Digital" academic chair.

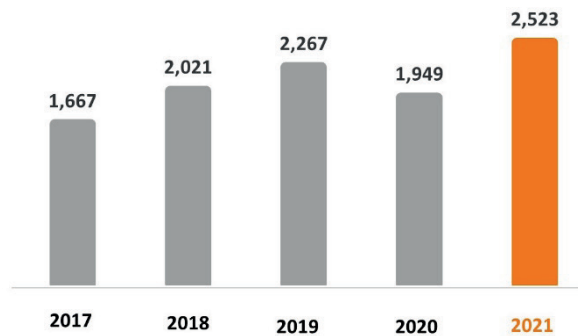
(a) Hautes Études commerciales.

(b) Institut national des sciences appliquées.

(c) École supérieure d'ingénieurs des travaux de la construction Paris.

3.2.1.3 Promoting work/study contracts

Higher intake of work/study trainees



The Bouygues group is a strong supporter of work/study learning, which enables it to prepare a pool of qualified staff and compensate for skills shortages in specific fields. Work/study contracts also give trainees a head start with their induction, enabling them to acquire company-specific expertise and become acquainted with its values. This can pave the way for a smooth onboarding process at the end of the work/study contract.

In March 2021, the Group's HR department held an eSport tournament open to work/study trainees from each of the five business segments. This first event brought together some 330 young people remotely to strengthen connections within the Group's community of work/study trainees and enhance its image among students at partner academic institutions.

In 2021, **Bouygues Construction** ran its third digital forum as part of its campaign to recruit future work/study trainees. More than 1,900 applications were received for the 1,000 internships available from September. One of the major new features was an interactive direct link, using which Bouygues Construction employees could reach out to potential applicants to promote the Group's business activities.

On 3 May 2021, Bouygues Energies & Services (a subsidiary of Bouygues Construction) hosted its first intake, called "Ampère XY". This initiative allows young adults with qualifications or experience in a different field to retrain in one of the Group's business segments. For example, 15 work/study trainees were invited to qualify as building equipment electricians after a year of study combined with practical experience. This event is made possible by partnerships with the Gustave Eiffel apprentice training centre, Greta Paris Industrie Développement Durable and Marcel Deprez secondary school for electrotechnical careers.

To attract up-and-coming talent, **Colas** runs Campus marketing campaigns for internships and work/study programmes, plus a graduate scheme. The media used include video testimonials from young employees recruited on permanent contracts at the end of their internships or work/study programmes, or participating in the graduate scheme.

3.2.1.4 Harness the potential of the Gustave Eiffel training centre

The Gustave Eiffel apprentice training centre specialises in construction- and energy-related jobs.

It opened in 1997, on the initiative of Bouygues. Since then, the Group has demonstrated a strong commitment to it by:

- paying vocational training tax so that its partner secondary schools can improve the support apparatus and teaching facilities, and
- hosting around 30% of the 510 students from the Gustave Eiffel training centre, developing inclusive certificate or diploma courses, with specific lessons aimed at attracting more women into these professions (electricians, formworkers, tunnelling machine operators, wood and bio-based materials craftspeople, masons, etc.).

For several years, the centre has offered in-service training as well as providing expertise in inducting and training people on work/study or occupational-integration contracts. In 2021, it hosted 512 people on work/study contracts, up 11% relative to 2020, and achieved an exam pass rate of 94%. In total 30% of this cohort was able to join the entities of Bouygues Construction or Colas.

In 2021, Bouygues Bâtiment France Europe, in association with the Gustave Eiffel centre and three other partners, set up the Timber and Blended Materials Academy. Three levels of training (vocational qualification, diploma, degree) will be available from 2022.

To help asylum seekers into the world of work, in February 2021 the Gustave Eiffel centre started offering a 12-month diploma course to train as a formworker, in conjunction with Humando, a charity promoting occupational integration.

Bouygues Construction's building an civil works entities are pivotal players, facilitating job creation and integration of interns by mentoring them through their training.

Recruitment and departures

External recruitment by job category

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
France	118	3,055	254	3,598	881	2,691	10,597	8,911
Senior positions	70	1,054	209	649	522	738	3,242	2,904
Clerical, technical & supervisory	48	1,382	45	998	359	1,953	4,785	3,910
Site workers		619		1,951			2,570	2,097
International	48	9,325	18	16,749	176	208	26,524	31,778
Staff ^b	48	3,794	18	3,165	176	208	7,409	6,754
Worker ^c		5,531		13,584			19,115	25,024
France + International	166	12,380	272	20,347	1,057	2,899	37,121	40,689

(a) Coverage rate: 100% of the Group's headcount (Scope 1).

(b) Supervisory, managerial and technical employees.

(c) Site worker.

Indicator available at bouygues.com: Internships during the year (France)

The Bouygues group's recruitment rates reverted to pre-pandemic levels last year. Intake was lower outside France because of slower business trends affecting Bouygues Construction in some geographies.

Number of departures

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
Number of departures (all types of contract)	130	14,248	396	18,769	909	2,464	36,916	39,834

(a) Coverage rate: 100% of the Group's headcount (Scope 1).

Indicators available at bouygues.com: Reason for departure (France), Voluntary turnover (France).

Types of work/study contract

Scope ^a : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
Number of apprenticeship contracts during the year	13	696	91	604	253	198	1,855	1,369
Number of professional training contracts during the year	2	138	10	110	66	342	668	580
TOTAL	15	834	101	714	319	540	2,523	1,949

(a) Coverage rate: 53% of the Group's headcount (Scope 2).

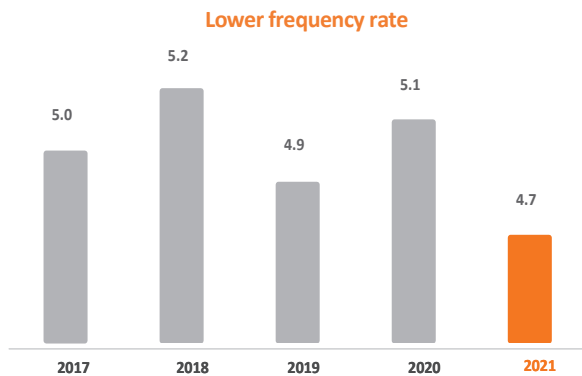
The indicator is specific to France and thus excludes international data.

All Group entities promoted apprenticeship contracts, especially in view of the arrangements introduced by the French government. The number of contracts rose by 29.5% over the previous year – a sign of the Group's dedication to facilitating access to the world of work for young people.

3.2.2 Ensuring health, safety and well-being in the workplace

The Bouygues group aims to reduce the frequency and severity of occupational accidents to which it is highly exposed through its operations. In addition to the measures taken to ensure safety, each business segment also operates policies to improve employee health and optimise working techniques.

Workplace accidents



3.2.2.1 Boost safety in the workplace

The Group's construction businesses work extremely hard in the area of health & safety (safety equipment, training, detection and monitoring of near-accidents). In France, health, safety and working-conditions policies are implemented in consultation with employee representative bodies. Implementation of a safety management system, part of which may have Iso 45001 certification, is the organisational bedrock at Bouygues' operating units in the construction sector.

Group entities are actively working to improve the safety of all persons working on their sites. As personal physical integrity is at stake, Bouygues group entities require their suppliers and subcontractors to be vigilant in terms of work safety requirements when operating on Group sites. In that regard, it is each supplier's responsibility to bring any identified anomaly to the attention of the manager of the Bouygues group site where it is working (extract from the Group's CSR Charter for Suppliers and Subcontractors, which is appended to procurement contracts).

To implement this policy in the construction businesses, senior managers at subsidiaries have for many years drawn on a global network of health & safety officers as well as a broad range of safety resources, including training on safety, eco-driving techniques, first aid training and 15-minute "starter" sessions on safety basics. Other resources include awareness-raising initiatives, accident analysis, best-practice sharing, cross-subsidiary challenges and half-yearly rankings.

As of 1 January 2021, **Bouygues Construction** has been using a unified, multi-business enterprise resource planning (ERP) system for managing health & safety across all its entities, in France and abroad.

Additionally, the TopSite label^a continued to be extended to all of Bouygues Construction's operations (see section 3.3, Environmental information). The main focus of TopSite is workplace health & safety. Other aspects that have a bearing on this, including innovation and environmental management, are also considered.

Bouygues Construction continued expanding the use of diagnostics at many of its locations, with the help of the French industrial safety culture institute (ICSI).

On the operating front, Bouygues Construction systematically identifies – for each incident, whatever its typology – the degree of seriousness or potential impact. Detailed survey and analysis techniques are used to determine causes, so that remedial action can be decided on and the appropriate resources assigned.

As a result, whenever serious accidents occur or could have occurred, remedial action is implemented in a variety of ways, focusing on lifting operations, when site workers are working together, plant/pedestrian interaction and elevation platforms.

Bouygues Construction also continued to implement its policy of removing hazardous machines and equipment (ladders, stepladders, step stools and 125mm angle grinders) from all its business operations.

Colas launched the pilot phase of "One Safety" during January 2019, leveraging the experience gained with the "Goal Zero" programme rolled out previously in North America. As with "Goal Zero", "One Safety" aims at making each person capable of understanding risks and working safely, throughout France and in several French-speaking countries.

Colas France aims to achieve two targets by 31 December 2022: halving the number of accidents compared with November 2021 and avoiding fatal accidents altogether.

Several initiatives were undertaken as part of "One Safety", from the "See It and Say It" training module to engagement workshops and setting up a network of mentors. By the end of 2021, some 70% of managers within Mainland France, Belgium (French-speaking), Switzerland (French-speaking) and La Réunion island had been trained, which equates to 10,000 employees benefiting from this policy.

"One Safety" has already yielded results, with regular safety dialogues, starter coaching sessions and safety meetings all being implemented. According to the internally developed measurement tool "Quick Connect", an average of 40,000 entries per month were being recorded by the end of September 2021.

In addition, the "5 Rules for Living Well" and the "10 Rules that Save Lives" have been rolled out by Colas worldwide. Observance of these rules is monitored through videoconference meetings held every second month by the health & safety network and is systematically reviewed whenever workplace accidents are analysed.

Several initiatives to speed up communication and facilitate information sharing were enacted for the first time in 2021. These include the creation of a documentation unit, the drafting of a health & safety glossary common to all Colas entities, the publication of a health & safety network organisational chart and bimonthly meetings encompassing the accident prevention network.

Additionally, several digital projects are under way:

- Safety induction software is being fine-tuned to make it more user-friendly.

(a) First internal worksite label addressing all aspects of CSR: health & safety, HR and societal issues and the environment, along with quality and customer satisfaction.

- An upgrade is in development that will allow accidents to be automatically tracked on a worldwide basis as opposed to simply covering French entities.
- Research has been undertaken regarding key health & safety data with a view to digitising more of the information and making it more easily accessible on a dedicated dashboard.
- So far, health & safety documentation has been made available to Colas employees everywhere in a specific section of the dashboard.

Road safety

Bouygues Construction has stepped up actions to improve occupational road safety. Work is also continuing to prevent addictions, including to alcohol and illegal drugs, through a widespread policy applicable to all employees, irrespective of their profession.

Each **Colas** subsidiary worldwide has a road safety liaison officer, supported either in-house or regionally by a team of over 400 road safety representatives responsible for implementing and leading the road safety programme.

In France, this focuses on:

- boosting driver awareness of the rules of safe driving
- organising travel
- vehicle fleets (purchase and maintenance, active and passive safety features)
- the environment (road infrastructure, traffic schemes, etc.).

Outside France, similar training and awareness-building programmes for preventing road accidents have been developed. Correspondingly, the frequency of road accidents continued to fall last year, declining by a total of 54% between 2004 and 2021.

An increasing number of vehicles are being fitted with on-board data collection devices, with due regard to each country's laws and regulations (e.g. GDPR^a in the EU).

Workplace accidents

Scope ^a : Global	Bouygues						2021	2020
	SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Group total	Group total
Frequency rate ^b of workplace accidents among employees	1.19	4.34	2.43	5.04	3.25	6.41	4.73	5.11
Severity rate ^c of workplace accidents among employees	0.01	0.31	0.05	0.4	0.17	0.44	0.35	0.34
Number of fatal accidents among employees ^d	0	3	0	1	0	0	4	8

(a) Coverage rate: 100% of the Group's headcount (Scope 1).

(b) Number of workplace accidents (excluding accidents subsequent to fainting episodes) involving time off work x 1,000,000/number of hours worked. The auditor states that it has obtained reasonable assurance for the 2021 indicator.

(c) Number of days off work as a result of a workplace accident (excluding accidents subsequent to fainting episodes) x 1,000/number of hours worked.

(d) Excluding fatal accidents subsequent to fainting episodes.

3.2.2.2 Work with temporary employment agencies and subcontractor

The temporary worker safety passport (PASI) trains workers in safety basics on construction sites. It is promoted and overseen by the Federation of French construction and civil works companies (EGF-BTP) and is aimed at temporary workers across the board. This two-day practical training module is validated by a multiple-choice assessment. The PASI is designed to ensure that temporary workers have received basic safety training and do not need retraining each time they are taken on by another participating company.

In 2021, a pilot phase was begun in five regions with the aim of expanding the network of centres approved to dispense PASI BTP[®] training. The French regions concerned are Grand-Est, Auvergne-Rhône-Alpes, Hauts-de-France, Occitanie and Provence-Alpes Côte d'Azur.

Depending on the number of training centres that get approved, temporary employment agencies have undertaken to ensure that all staff supplied to Colas from 2022 onwards are PASI-trained.

On French worksites, **Bouygues Construction** uses temporary workers with PASI training. A health & safety bulletin detailing accident rates and the implementation of PASI training has been published biannually since 2020.

Bouygues Construction continues to apply its policy of itemising, in its contracts, the safety commitments required from business partners, supported by continuous monitoring of performance.

Bouygues Construction entities help subcontractors enact the specific action plan relating to cordless power tools (replacement of angle grinders that have a diameter of less than 230 mm).

(a) General Data Protection Regulation.

Safety of temporary workers

Scope ^a : France	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
Number of temporary workers (full-time equivalent)	4	3,846	17	3,275	2	21	7,166	6,096
Number of workplace accidents involving temporary workers	0	230	0	165	0	0	395	300
Number of fatal accidents among temporary workers	0	0	0	0	0	0	0	0

(a) Coverage rate: 53% of the Group's headcount (Scope 2).

3.2.2.3 Protect health in the workplace

Employee benefits

The Bouygues group endeavours to provide its employees with benefits, both in France and in other countries.

In France, all employees benefit from personal risk coverage (long-term incapacity and death) and healthcare insurance. Entitlements exceed the legal minima (especially state-approved complementary healthcare policies) and standard arrangements.

In addition to contributing to employee healthcare coverage, the Group also contributes towards covering family members' healthcare costs.

The Group personal risks scheme covers the employees of Bouygues Construction, Bouygues Immobilier, Bouygues Telecom and Bouygues SA. Colas and TF1 each have their own schemes covering personal risks and healthcare.

Ensure a common core of employee benefits outside France

In 2019, the Group launched a new programme called BYCare. This programme aims to ensure a common core of employee benefits for the whole Group that go further than the requirements of the local legislation in each country. Its aim is to make sure, in each country where Bouygues operates, that its best practices are at least on the same level as a panel of benchmark companies operating there. The first stage has focused on all-causes death insurance, paying an additional lump sum higher than the mandatory minimum – equal to at least one and a half times the employee's gross annual salary – from 2020 onwards.

In 2021, the minimum indemnity for an employee's beneficiaries, in the event of a work-related death, was increased to 24 months' salary.

In 2022, BYCare will be expanded to cover parenthood and incapacity.

Additionally, local initiatives are carried out by Colas to promote employee health. In Madagascar, an infirmary was set up and two doctors hired to provide basic care for common ailments and conduct regular mandatory check-ups. In Ivory Coast, each location has an occupational doctor and an infirmary (staffed with nurses).

Ergonomics

At **Bouygues Construction**, the 2019-2021 Health Plan has four focal points: ease of use and working environment; work/life balance; physical and mental health monitoring; and workplace organisation.

Occupational therapists have for several years been conducting analysis, the findings of which are now being used to assess workstation constraints and prioritise remedial actions in terms of organisation and equipment. In addition to this analysis, the Kiz'ergo application can be used by health &

safety officers – after prior training – to carry out ergonomic observations, making it possible to propose immediate solutions on site, report problems to head office and supplement the knowledge base covering the ergonomic risks affecting each profession. By end-September 2021, nearly 300 Kiz'ergo diagnostics had been conducted since it was introduced.

Workstation set-up and the optimisation of movement and storage are being targeted by specific actions adapted to sites and their surroundings, in keeping with Lean Management actions. As a result:

- handling plans have been introduced to reduce movement-related risks and increase efficiency. This includes identifying weights by colour-coding, making the relevant resources available (mechanisation, management of storage areas as close as possible to the workstations, reducing weights at source, etc.), and
- stairs and corridors have been optimised in order to reduce walking distances.

So that ergonomics are factored into the equation right from the design phase, Ergo'Training is given to decision-makers and those for whom ergonomics is an issue, whether they be in the methods, equipment, health & safety, or works departments. In 2021, these training modules continued to be deployed, with the inclusion of Kiz'ergo as a means of heightening everyone's responsibility in applying ergonomic principles.

The Ergonomics unit runs on-site information campaigns for the benefit of site workers and supervisors. Warm-up sessions are held before work begins, marking the start of the working day on every Bouygues Construction worksite in France and on most non-French projects too.

Streamlining and harmonisation processes are used to select tools (in particular cordless power tools) that guarantee compliance with Bouygues Construction's protective requirements (protective casing, anti-vibration mechanism, etc.). These products have been specifically catalogued and are freely available.

3.2.2.4 Organise work, including from home

In 2020 and 2021, the business segments responded to the pandemic by allowing teleworking whenever possible. As this health crisis draws to an end, the Group has introduced common rules governing this type of working arrangement.

Teleworking excludes as a matter of principle those jobs and activities that need to be carried out on the company's premises, either because of the equipment used or because people must simply be there in person. This also includes worksites, storage facilities and workshops/quarries/industrial sites, all of which are interdependent. Consequently, site workers are unable to work from home.

Across all business segments, teleworking agreements were (re)negotiated to include shared principles ensuring the preservation of cohesive working

units. As a result, the number of teleworking days was capped at two per week.

Companies help finance the purchase of equipment required to work comfortably from home. Some provision was also made to allow occasional remote working.

All entities introduced training programmes for lower-level employees and managers, instructing them in best practices for remote working.

In early 2021, Bouygues Construction finalised the negotiation and signature of agreements laying down the conditions for regular or occasional teleworking. The arrangements broaden the possibilities for remote working, including the introduction of flexible teleworking days.

As a means of supporting teleworking, all eligible employees can from the outset opt to follow the “Working Successfully from Home training” programme, which comprises an interactive module plus a series of training videos. To pass the course, participants have to complete a real-life quiz on best practices when working remotely. A supplementary module is available for managers.

All the French subsidiaries of Bouygues Construction have signed new agreements concerning the donation of overtime compensation days (RTT),

which broaden the possibilities for such donations. This now includes allowing employees who have a seriously ill partner or child to take extra days of paid leave, thanks to a donation of RTT days by employees working in the same entity. Annual days off to compensate for overtime (RTT days) are capped at 60.

In 2017, an agreement was signed by **Colas** to provide for weekly teleworking (1-2 set days per week) or monthly teleworking (maximum quota of 4-8 days per month). Teleworking is possible either from home or at a Colas office.

In Mainland France, **Colas** signed the following agreements last year:

- An agreement making provision for long-term part-time working, known as APLD. In France, the Covid-19 pandemic and the related lockdowns and restrictions had a massive impact on the civil works sector. Accommodation measures were negotiated with unions to shield jobs in the face the business downturn expected to last for the first six months of 2021.
- An agreement on fixed-day working, aimed at harmonising HR practices and facilitating mobility between companies and business segments.

3.2.3 Promoting diversity, a source of strength and performance

Bouygues considers that diversity is business-enhancing and boosts performance. The Group has committed to promoting each employee’s career development, regardless of their gender, background, level of training, profession or country of work. Fair treatment for all and equal opportunity are among the principles contained in the Bouygues group’s Human Resources Charter and Code of Ethics.

Its diversity policy is supported by a Diversity Committee which meets several times per year. This comprises specialists from the five business segments who come together to share best practice and schedule joint actions.

The Group’s aims are the following:

- to promote gender balance and increase female representation on executive bodies (executive and management committees) by fulfilling two Group-wide targets: increase the proportion of women on executive bodies to 30% and the proportion of women managers to 21% by 2023;
- to increase the participation of people with disabilities by changing the way disability is viewed within the company, and
- to make diversity a source of strength for the Group and combat all forms of discrimination.

With that in mind, Bouygues is implementing a policy for the Group and the business segments, based on three pillars.

3.2.3.1 Promote gender balance

Headcount by gender

Scope ^a : Global	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
Women	27.2%	20.7%	50.5%	11.4%	55.9%	38.5%	19.5%	18.8%
Men	72.8%	79.3%	49.5%	88.6%	44.1%	61.5%	80.5%	81.2%

(a) Coverage rate: 100% of the Group’s headcount (Scope 1)

*The proportion of women working for Bouygues increased in 2021. Gender balance is chiefly an issue at **Bouygues Construction** and **Colas**.*



Bouygues firmly believes that its success depends on its ability to get the best from the women and men in each of its five business segments. Gender balance is a source of strength and fosters creativity and cohesion, thereby significantly improving performance and accelerating the Group's transformation. However, given the predominance of its construction businesses, the Group's workforce has traditionally counted more men than women – which is why it operates a proactive gender balance policy.

The first gender balance plan, carried out between 2017 and 2020, set a general trend in motion. Results so far show some improvement but this is still insufficient. Consequently, the Group has embarked on a second action plan (2021-2023) to help women make faster inroads at all levels, especially on executive committees.

Each business segment has set targets based on four indicators which track the number of women in senior positions, or equivalent grade in the international operations, those in managerial positions, those identified as high-flyers (employees with high potential), and those serving on executive/management committees.

To achieve this, the Group has set out a policy comprising several initiatives, from recruiting, raising awareness and communicating to supporting and establishing partnerships, while harnessing the work being done by women's and diversity networks within each subsidiary.

Recruit

Some business segments are more appealing to women than others, and the Group wants to redress this imbalance. Men are more represented in the construction businesses whereas at Bouygues Immobilier, TF1 and Bouygues Telecom, the gender split is close to even.

Recruitment is also being targeted so that it contributes to better gender balance in construction, design, finance as well as in communications and human resources. The Group is also working to encourage young women to take up technical professions. Bouygues Construction, Colas and Bouygues Telecom have signed agreements with the non-profit organisation "Elles Bougent" to make the Group's activities more visible to women throughout France.

To mark the International Women's Day (8 March), **Colas** ran two roundtable discussions via a videoconference link: one in North Africa and the other in Central Europe, in conjunction with "Elles Bougent". On this occasion, local human resources departments shared their stories to encourage female students to consider a range of professions for a career.

In the US, Colas last year took part in the job fair organised by the Society of Women Engineers, leading to recruitments. This also represents a growing pool of talent for the future.

To increase diversity in the recruitment process, several of the Group's business segments have also pledged to ensure that both genders are systematically present on shortlists.

For example, when recruiting managers internally or externally or recruiting journalists, **TF1** now has a rule whereby at least one woman must be shortlisted.

Raise awareness and communicate

To foster a professional environment at the Group in which women and men can flourish in their careers, initiatives are conducted regularly to combat everyday sexism and publicise the commitment to greater diversity, both internally and externally.

Since March 2019, the Group has been appointing officers to combat sexual harassment and sexist behaviour across all its business segments in France, as is required by law.

Bouygues Construction relies on a digital self-assessment tool, #meandyou too BYCN, available in France and internationally, which raises awareness among employees about gender stereotypes and presents the policy in force at Bouygues Construction.

Additionally, Bouygues Construction has launched "Speak Up", a procedure for combating sexist behaviour or harassment of any kind.

TF1 has for the past three years been a signatory of:

- The #StOpE charter, whereby companies undertake to combat everyday sexism, and
- the "Women in the Media" charter, set up by this same organisation, which works to combat sexual harassment and sexist behaviour.

TF1 has also implemented:

- awareness-raising and training initiatives (under the heading "inclusive management"), which have so far involved managers in the technology, news, content, external communications and human resources departments, and
- a procedure for investigating claims of harassment or physical abuse.

This policy was lauded by the non-financial rating agency Humpact, which in December 2021 awarded TF1 the first prize in the "Gender Equality" category as part of the Grand Prix "Humpact Emploi France" awards.

The Bouygues group has partnered with the Women's Forum for Economy & Society as a means of building awareness internally and demonstrating its commitment externally. A delegation of 80 employees from all five business segments, both in France and abroad, attended this 100% on-line forum, held from 15 to 19 November 2021. Breakout rooms were held by theme (Inclusion, AI and Tech, Health, Business and Climate) to enable participants to get the most out of this global event. A recap of the event was then presented before an Executive Panel, chaired by the Group Human Resources Director.

Promotion and equal pay

Bouygues is intent on promoting equal access to career advancement and internal promotion. In 2021, the percentage of women on executive bodies was 22.7%. The Bouygues group is aiming to achieve equal pay in all its business segments. In some cases, specific budgets are allocated to correct salary gaps. The business segments work hard to ensure that male and female employees receive pay rises in equal proportions.

At **Colas** operations in Mayotte (a French overseas department), an equal opportunities scheme is currently in force, covering recruitment, training, skills development and promotion. This subject is systematically discussed during annual negotiations. On Reunion Island, the equal rights agreement signed 2017, supported by actual metrics, continues to exert positive effects and has resulted in a more representative proportion of women.

At **Bouygues Telecom**, to boost gender equality further, the lists of employees recommended for promotion to the grade of department head and above must be equally balanced.

16.7%

Increase in the number of women hired in the Group versus 2020

The percentage of women on the TF1 Management Committee (169 top group managers, including Newen and Unify) has risen from 29% in 2014 to 47% in 2021.

The TF1 group is classed 15th in the rankings for female representation in executive bodies among SBF 120 companies and leads the pack in the media industry.

Bouygues Telecom made it a rule that as many women as men should be promoted to department head or higher roles in 2020. Thanks to this measure, 31% of employees holding this grade were women compared with a target of 29% set for the end of 2021.

In France, of the 41 Group companies with over 50 employees, 34 have a gender-equality score equal to or above 75%. Only six were unable to calculate the index because some sample groups did not contain a sufficient number of women. Only one achieved a score below 75.

Support career development

Support initiatives are offered in various forms within the Bouygues group to improve women's career prospects.

In 2021, IMB (The Bouygues Management Institute) started a new training programme called "Trajectoire" for 40 of the Group's female employees based in France and further afield, all of whom are high-flyers. The programme aims to accelerate their career advancement, putting them ultimately in a position to join executive committees within the Group's five business segments.

The annual Group-wide mentoring scheme for women (mentored by either a man or a woman) was run for a fourth time in 2021. A total of 130 women have been mentored through this scheme over the past four years.

Mentoring schemes are also operated individually by Bouygues Construction, Colas, TF1 and Bouygues Telecom. Training courses in leadership for women are offered by Colas and TF1.

Over 960 female employees of the Group have completed the mentoring programme in France since 2014.

Women's and mixed networks

To supplement the work of existing initiatives run by human resources departments, women's and mixed networks are active across the Group's five business segments and in the parent company Bouygues SA. These offer a wide range of activities, from conferences and mentoring workshops on how to market oneself, to informal chats. In 2021, **Bouygues Immobilier** started its own network called "À part égale". The aims of these networks are to raise awareness amongst employees about gender balance, to fight harmful stereotypes and to contribute to the promotion of women inside the company.

Proportion of women in the Group

Scope ^a : Global	Bouygues						2021	2020
	SA and other	Construction	Immobilier	Colas	TF1	Telecom	Group total	Group total
Women on executive bodies		25%	22.2%	15.4%	22.2%	41.2%	22.7%	
Women "High-Flyer" managers ^b		18%	29.3%	12.8%	52.7%	28.3%	20.1%	
Women with Manager status ^c	19.6%	15.7%	29.2%	11.1%	48.8%	31.2%	18.9%	
Women in senior positions and in equivalent positions in international activities	37.2%	25.5%	45.4%	18.6%	54.7%	33.7%	27.7%	
Women with Staff status ^d	27.2%	26.6%	50.5%	22.3%	55.9%	38.5%	28.9%	28.8%
Women with Worker status ^e		11%		2.5%			5.9%	5.9%

(a) Coverage rate: 100% of the Group's headcount (Scope 1).

(b) Female employees meriting specific monitoring by virtue of their advancement prospects and current performance.

(c) Indicator redesigned for the international scope to harmonise definition with France. Managers are employees who are department heads or higher in France or have an equivalent status internationally.

(d) Supervisory, managerial and technical employees.

(e) Site worker.

The first four indicators in this table are monitored within the context of the 2021-2023 Group Gender balance action plan.

Rate of pay rises by gender

	Bouygues SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
Scope ^a : France								
% of women having received an increase in salary	92%	82.7%	33.1%	77%	40.7%	82.7%	73.9%	78.7%
% of men having received an increase in salary	79.1%	82.1%	30.5%	84.6%	32.1%	78.4%	81.2%	84.6%

(a) Coverage rate: 53% of the Group's headcount (Scope 2).

At **Colas**, the policy of systematic pay rises for site workers affected only men, as 99.4% of site workers are male.

3.2.3.2 Hire people with disabilities

The Bouygues group is actively working to give people with disabilities a more prominent role in the workplace and, more generally, across society as a whole.

In 2019, Martin Bouygues signed the national manifesto for the occupational integration of people with disabilities. This charter of operational commitments aims to ensure that people with disabilities are better catered for in the world of work.

In 2021, Bouygues SA and its five business segments pooled resources to reinforce the inclusion of people with disabilities within the Group. For the first time, they partnered with six top para-athletes, who were appointed as ambassadors: Claire Supiot (Bouygues SA), Nantenin Keita (Bouygues Construction), Typhaine Soldé (Bouygues Immobilier), Gwladys Lemoussu (Colas), Yvan Wouandji (TF1) and Trésor Gautier Makunda (Bouygues Telecom). These six champions are each in their own way helping to change attitudes towards disabilities (both seen and unseen) among the Group's workforce.

Collective action for raising awareness about disabilities was implemented through a campaign under the "Starting B." umbrella brand focusing on the Group's and the business segments' internal and external social media. The campaign was supplemented by in-house testimonies delivered by the six athletes during EWPD .

This partnership with para-athletes, together with the Group's Starting B. campaign, took the silver award in the Diversity & Inclusion category at the 8th "Victoires des leaders du capital humain" in Paris. A fitting reward for the Group's commitment to this issue.

In France, the business segments have disability officers and disability task forces. A Group Disabilities Committee meets several times per year to launch joint actions and exchange best practices in the area of recruitment, job retention, awareness-raising and collaboration with the sheltered sector.

Recruitment

Recruiting takes place through forums as well as membership of organisations or use of specialist recruitment agencies.

Bouygues Telecom has forged partnerships with agency Défi RH, Hello Handicap (a web- and smartphone-based recruitment fair, with two events held in 2021) and "Disability Tuesdays" (six sessions held in 2021), organised by FIPHP^b.

(a) European Week for the Employment of People with Disabilities.

(b) Fund for the integration of disabled people in the civil service.

(c) Grenoble École de Management.

(d) Short, timed recruitment (pre-)interviews, fixed by appointment, in a more informal setting than company offices.

TF1 continued its partnerships with the GEM^c school (data training for persons with Asperger's syndrome) and with Act'Pro, a non-profit body, for the second consecutive year. Emphasis was also placed on work/study arrangements through a special job dating session^d, with the entire human resources department specifically involved alongside future supervisors and outside partners such as Cap Emploi, Avisea and Aktisea. This led to the recruitment of 13 work/study trainees and two interns starting in September/October 2021.

Keep the disabled in employment

In the Group's business segments, job retention actions involved supporting those employees concerned, adapting workstations, providing specialist equipment and improving access to premises.

In 2021, **Bouygues Construction** trained 85 human resources managers in job retention.

Raise awareness and communicate

In addition to the initiative involving the six para-athletes, the business segments conducted supportive actions to encourage employees to change how they view disabilities. For example, Bouygues Construction, TF1 and Bouygues Telecom all took part in "Duo Day", a government-backed initiative opening the way for companies to host people with disabilities at the nerve centre of their businesses, enabling participants to find out about various occupations and forge ties.

Bouygues Construction set up a monthly hotline for employees who have questions on disabilities. In June 2021, Bouygues Energies & Services took the gold award in the Disability, Diversity & Inclusiveness category at the Deauville Green Awards for its information video *Le test d'attention*. This accolade – part of the Deauville international ethical film festival – recognised the company's efforts in building awareness about employees with disabilities.

In November 2021, **Colas** again ran its communication drive aiming to combat stereotypes and promote the right to discuss personal hardships. This included an e-mail to employees in France together with posters and a leaflet handed to site workers together with their payslips. The stated purpose was improving well-being in the workplace, whereby each person could be supported through any issues encountered in connection with a visible or non-visible disability.

Bouygues Telecom's Disability Task Force travelled around France in 2021. At each of the seven locations, an information stand was set up and individual consultations offered, together with discussions on disability-

related issues. The objective was to dispel common myths surrounding disabilities and explain the task force's role, through presentations, discussions and information sessions. Bouygues Construction offers the "Me And You Too" application, enabling employees to test their knowledge about disabilities in the workplace.

Outsource to the sheltered and disability-friendly sector

The Group's companies subcontract to sheltered workshops and disability-friendly companies.

Bouygues Immobilier signed a partnership with GESAT, which supports employees as well as purchasing employees when they tender contracts to the sheltered sector.

Colas, through its subsidiary GTOI on Reunion Island, continued its proactive policy, through additional channels of communication:

- informing managers about the services available from sheltered workshops on the island (including catering, metalworking, printing and mailing services);
- drawing attention to the partnerships signed, which have continued to ramp up, and
- informing employees affected by redeployment/long-term sick leave about the recognition of disabled worker status.

In Martinique, sales generated with sheltered workshops more than doubled in 2021.

Employees with disabilities

Scope ^a : France	Bouygues						2021 Group total	2020 Group total
	SA and other	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom		
Number of employees with disabilities ^a	5	687	28	771	101	312	1,904	1,927
Number of employees with disabilities hired during the year ^a		23	1	6	25	22	77	71
Sales with sheltered workshops and disability-friendly companies during the year (in thousands of euros)		1,308	127	1,224	922	420	4,001	3,482

(a) Coverage rate: 53% of the Group's headcount (Scope 2).

The indicator is specific to France and thus excludes international data.

The number of employees with disabilities recruited has risen by 26.2% in the space of three years. Sales with sheltered workshops rose by 15% in 2021 but was still below the 2019 level.

3.2.3.3 Encourage diversity

The Bouygues group's Code of Ethics states that "The Group seeks to apply a fair policy of human resources that complies with the law. The Group will refrain from, in particular, all discrimination on unlawful grounds". Fair treatment for all and equal opportunity are among the principles of the Human Resources Charter and apply to all aspects of the employee's career, from recruitment and training to promotion, information and communication.

"We are an equal opportunity employer. No applicant or employee receives less favourable treatment because of gender, ethnic background, religion, beliefs, disability, age, sexual orientation or nationality. This is a moral obligation as well as a corporate priority." (Taken from the Bouygues group Human Resources Charter, published in 2008).

Bouygues aims to promote diversity in terms of professional experience and qualifications, at the hiring stage and thereafter. Equally important, occupational integration is managed through a variety of channels, such as direct hiring, outsourcing to occupational integration companies or to temporary employment agencies specialising in occupational integration. In addition, the Group ensures that its commitments in this domain are complied with by subcontractors.

In France, **Colas** has teamed up locally with GEIQs (groups of employers promoting occupational integration and vocational training) to facilitate integration for people struggling to enter the world of work (for more information about occupational integration, see section 3.4.1 of this report).

Awareness-raising and training to fight discrimination in all its forms

Managers are seen as pivotal in modelling inclusive behaviour. In 2020, the Group added a new training module to the IMB Campus programme entitled "Inclusive management and performance", signalling its commitment to fostering diversity and inclusiveness at every level of the organisation. It was designed with the 450 senior managers attending the Group Management Meeting in mind.

Within each business segment, initiatives are also under way to change mindsets about parenthood. In 2021, Bouygues Construction, Bouygues Immobilier, TF1 and Bouygues Telecom signed the new Parenting Charter, initiated by l'Observatoire de la qualité de vie au travail.

In France, training in non-discrimination was also held across all the business segments.

Bouygues Construction trained up 70 human resources managers in France on the subject of non-discrimination and stereotypes, using legal case studies, handbooks and factsheets.

In 2021, Losinger Marazzi set up a training programme based on the results of an employee survey into perceived discrimination in the workplace. Starting in September 2021, 100 employees underwent two hours of mandatory on-line training on the subject of cognitive bias.

Losinger Marazzi specifically trained its managers to become aware of the issues at stake and the cognitive biases at work when recruiting and conducting yearly appraisals. Two on-line training modules were carried out.

Colas continued implementing its policy of combating all kinds of discrimination, with inclusion of the subject in manager training, editorials in the *Colas Inside* newsletter and extension of the non-discrimination training module “Living together in diversity” to managers not based in France. This module tackles seven discrimination-related themes: gender, age, background, disabilities, religious beliefs, trade union membership and sexual orientation.

In Canada, where harassment is considered a form of discrimination, a range of policies have been put in place, such as the Harassment Awareness Policy, to fight discrimination and guarantee employees a welcoming working environment.

Miller, a Colas subsidiary in Canada, is part of the Progressive Aboriginal Relations (PAR) programme, through which it is aiming for certification of its corporate performance in its dealings with First Nations.

In the US, a helpline is available nationwide to report cases of discrimination.

TF1 as a group (including Unify and Newen) is staunchly dedicated to the cause of diversity through its many initiatives.

The TF1 Corporate Foundation maintains its practical commitment to professional integration. In 2021, it offered a springboard to 14 candidates lacking professional experience and at risk of discrimination.

The companies making up Newen, TF1’s production wing, took the initiative of forming a Diversity & Inclusion committee, marking a step towards fairness and better representation of diversity within all its departments.

Bouygues Telecom continued to run its Diversi’talks, which aim to illustrate how diversity can contribute to its corporate mission. In 2021, Mathieu Lassagne, an HIP (high intellectual potential) coach, came in to give a talk about the notion of giftedness^a.

3.2.4 Developing careers and employability

At the Bouygues group, people are the most important resource. That is why the Group operates a policy for the advancement of its employees, whoever they are, by offering them training opportunities together with support throughout their careers. Another fundamental consideration is preparing employees for emerging professions so that they retain their employability on the jobs market while the Group benefits from a pool of skilled workers.

In order to do this, the Group operates an attractive remuneration policy and focuses on career planning. It also works hard to sustain a capacity for innovation within its workforce, particularly through intrapreneurship schemes.

3.2.4.1 Develop a remuneration policy that rewards individual and combined efforts

The Bouygues group’s merit-based remuneration policy, which is applied individually, is an integral part of its business culture. This is a bedrock for the development and performance of the Group, which it strives to implement in all entities and in every country. This policy is designed to reward employees for meeting or surpassing personal and team targets. It has three major components:

- giving employees a share of profits and ensuring fair pay;
- offering a comprehensive system of remuneration;
- tailoring remuneration policies to professions, specific profiles and geographies.

Give employees a share in the company’s profit

Voluntary profit-sharing agreements were updated in 2021. Over 60,000 employees in France, equating to 94.3% of the total headcount, will or will be in a position to receive a supplement or a higher amount of profit-sharing.

52,000 employee shareholders

Encouraging employee share ownership has always been high on the Bouygues group’s agenda. As early as 1989, the Group set up a company savings scheme, with the level of employer top-up contributions raised on regular occasions. Over the past 20 years or more it has introduced several employee-reserved capital increases. Bouygues is in fact the CAC 40 company with the highest level of employee share ownership. Similar arrangements exist in other countries. In the United Kingdom, Bouygues Construction has ShareBY, and Colas in the UK has the Colas UK Share Incentive Plan. Switzerland and Hong Kong also offer employee share ownership.

Offer a comprehensive system of remuneration

In France, the highlight in 2021 was the introduction of a retirement savings plan covering the Bouygues group, which can be used to build up savings capital for retirement while benefiting from a higher employer top-up contribution and the usual tax breaks linked to this type of collective savings scheme.

Depending on the applicable legislation, similar arrangements are also in place at the Group’s main international locations.

(a) This is defined by Mathieu Lassagne as strong intuition coupled with targeted, rapid thinking.

Tailor remuneration policies to professions, specific profiles and geographies

The Group pays attention to the impact of inflation, specifically on basic goods, the cost of transport and energy.

To take the higher cost of living into account, the Group announced targeted pay increases for its lowest-paid employees, thereby increasing their disposable incomes. These were independent of any government measures and came into effect before the end of 2021.

In 2021, **Bouygues Construction** continued rolling out its Global HR system, which is used to manage annual pay reviews (35,000 people covered in 2021), to include new companies such as VSL Malaysia and Philippines, thus helping them to better manage this aspect. Employees' salaries are reassessed in the national context every year.

Colas tailors remuneration to the pay standards applicable in the countries where it operates. In the US, policy relies on local pay surveys, given the regional differences between its units in western states (Alaska, California, Colorado), central states (Arkansas, South Dakota, Illinois, Missouri, Ohio, Nebraska, Wyoming) and eastern states (South Carolina, Florida, Georgia, New York State, Pennsylvania, Virginia). Employees are paid in line with the local market. Wages were revised upwards to protect the appeal of local Colas subsidiaries amid the continued tight labour market conditions (which was expected to persist well into 2022). For instance, its subsidiary

Barrett saw the need to adjust wages for its site worker category. To manage pay reviews more effectively and fairly, US subsidiaries have since 2017 used the "Pathways" module within "Successfactors" HRIS (renamed as "ColasWay"; roll-out in France under way).

In Canada, Colas bases its remuneration policy on local collective bargaining agreements, particularly in Quebec and Ontario. For unionised employees, pay is set through the collective bargaining arrangements applicable to their businesses.

Wage policy is also informed by local surveys in Central Europe, Western Europe and the UK, so that it is correctly calibrated for each market. This helps retain talent, especially in markets facing worker shortages (Belgium, Czech Republic, Hungary, Switzerland, UK). In Africa, subsidiaries in Benin, Gabon, Ivory Coast, Morocco and Senegal rely on a market benchmark produced by Mercer for each country on the basis of best practices by similar-sized companies in the same industry. The remuneration process has as a result been progressively revised to reward performance more faithfully, to ensure a fair balance internally and to enhance the employer brand. In South-East Africa, wage policy is informed by an annual pay review. Site workers' salaries are set by a bargaining committee.

Similarly, **Bouygues Immobilier** strives to offers remuneration in line with regional standards to ensure it remains competitive. Correspondingly, pay review budgets take into account specific situations, such as economic conditions in Poland or shortages of some profiles.

Average annual gross salary in France by job category and trend^a

Scope ^b : France (in euros)	Bouygues SA ^c and other	Bouygues Construction	Bouygues Immobilier ^d	Colas	TF1 ^e	Bouygues Telecom
Senior positions	68,668	60,418	72,476	59,794	69,615	62,193
Change vs 2020 ^f	- 12.4%	- 0.9%	1.8%	- 6.2%	0.3%	0.7%
Clerical, technical & supervisory	32,167	33,971	34,828	38,002	40,851	27,615
Change vs 2020 ^f	- 9.1%	1.4%	2.2%	- 2.3%	0.1%	1.5%
Site workers		29,827		29,209		
Change vs 2020 ^f		2.3%		2.9%		

(a) Permanent employees.

(b) Coverage rate: 53% of the Group's headcount (Scope 2).

(c) Excluding Group and business segments' senior management.

(d) Excluding sales employees.

(e) Including journalists.

(f) Indicators available at bouygues.com: Total gross top-up contribution by employer to the company savings scheme (France), Total gross top-up contribution by employer to the collective retirement savings scheme (France), Total amount of profit-sharing (paid in 2021 in respect of 2020) and Percentage of employees promoted (France).

The lowest salaries were increased in 2021 as a matter of policy. This concerned especially site workers at Bouygues Construction and Colas, and clerical, technical and supervisory staff at Bouygues Telecom.

3.2.4.2 Promote career advancement within the Group

Encourage mobility

Internal job mobility is positive for Bouygues group employees' careers and their employability. Teams and mechanisms in each business segment assist in the dissemination of job offers, promote diversity in Group-based opportunities and support employees seeking internal mobility opportunities.

The Group's Internal Job Mobility unit supports HR departments in the business segments to help promote employee mobility.

The digital services range has been expanded inside the Moby clic job portal, thanks to which employees can:

- access job vacancies from within the Group's business segments and apply on-line;
- set up notifications using filters by business line, entity and geographical area;
- benefit from personalised searching linked to an AI-driven CV review and skills audit. In 2021, almost 4,000 employees had their CVs matched to Group job offers. Of that number, 70% consulted at least one of the offers brought to their attention, and
- register for interactive on-line workshops on career-related topics.

At **Colas**, job mobility between or within subsidiaries, or between and within countries, is available to all employees both in France and abroad. A Colas Mobility Charter details the process and the type of assistance available.

At **TF1**, more than 120 employees changed job within the group in 2021. Last year it also took a further step by signing a GEPP^a agreement with trade unions, the purpose of which is to anticipate developments in professions, highlight the Group's skill requirements and develop employability.

Bouygues Telecom also focussed on its mobility policy by introducing a "3/6/9 objective" in employee performance reviews. This means that a 'junior' employee remains in their current job for no longer than three years, and no more than six years at the next grade. For longer-serving employees and those with a grade of department head or above, a change in duties is recommended after a maximum of nine years in the job.

Manage talent

Identifying, retaining and developing talent is the key consideration at the heart of the mechanisms put in place by the Group's business segments, which promote performance and enhance commitment from individual employees. Management-training courses are offered in each of the Group's business segments to encourage career advancement and enhance employability.

The Group also strives to reward professional conduct and mindset among its best site workers through the Minorange Guild. Bouygues Construction and Colas have 16 such site worker guilds, active in the Group's main locations.

In addition, special attention is paid to professional development annually within all the Group's entities:

- Career committees are one aspect of the talent retention policies operated by HR departments within each business segment, so that the specific development needs of their employees and operations can be taken into account.
- Group-wide committees also meet annually, bringing together HR managers and operational executives from the cross-company departments such as legal, IT and HR, to analyse career opportunities within all entities and promote internal job mobility.

The Bouygues Management Institute (IMB) is tasked with training the Group's 450 leading managers. Through its range of seminars, the IMB is instrumental in:

- informing about the Group's values and pledges through interaction with senior management;
- forging strong networks between the business segments;
- developing talent and preparing managers to take on wider responsibilities within the Group.

In 2021, two new Group-level development programmes were launched for high-potential managers:

- "Perspective", focusing on 100 strong potential top managers in both French and international operations.
- "Trajectoire", which is geared towards high-flying female employees, with an initial intake of 38 managers in both French and international operations. This programme, which dovetails with the Group's gender balance action plan, aims to increase the proportion of women on executive committees and management committees across the five business segments.

(a) Job and career management.

3.2.4.3 Develop skills and prepare for tomorrow's professions

The growing emergence of new types of profession is tied to three underlying trends impacting the Group:

- The ongoing digital and technological transformation;
- changing customer behaviour, accelerated by shifting expectations in society at large, including among employees, as e-commerce and the collaborative economy become increasingly prominent;
- the climate emergency and the extinction of biodiversity, which have fuelled the Group's Climate Strategy.

Training its global workforce for these new, emerging professions is a top priority for the Bouygues group. Furthermore, to give job opportunities within the Group a more international dimension, the business segments are developing training in the countries where they operate. This represents a considerable advantage for developing skillsets and opening new horizons up to employees.

Train employees for new professions within the Group

New professions are a reality that needs to be addressed by the Group in its entirety. The construction industry is evolving, with the advent of new technologies, new practices and new, sustainability-focused areas of expertise. Amid these paradigm shifts, the Group is recruiting and training people with the right skillsets to keep pace with these changes.

For example, Bouygues Bâtiment France Europe (BBFE), a subsidiary of **Bouygues Construction**, aims to become the benchmark developer/designer/builder in the field of bio-based and timber construction. This ambition is enshrined across all BBFE companies in the WeWood transformation process, which is underpinned by the principle of cross-disciplinarity, knowledge sharing and proper training. The WeWood Academy has been set up to provide large-scale, comprehensive training to support upskilling across various professions (engineering, works, site workers, etc.), helping them transition from concrete to the new timber, bio-based and hybrid construction methods.

Part of the innovation policy at **TF1** consists of looking at ways of using augmented journalism. This is the name given to technological advances that enhance news information processing with the help of artificial intelligence and 3D technology. Augmented journalism is profoundly changing the work of journalists, for example by making it easier to fact-check or put together reports.

Give training an international dimension

In the various countries in which the Bouygues group operates, training is also dispensed through country-specific schemes with a view to giving the Group a more global dimension. One particular avenue is language learning policies. On-line customised training, in line with developments at the Group, is on offer within Bouygues Construction and Colas, for example.

At **Colas**, efforts are being made to give its training policy a more international flavour, specifically with the help of the Colas Campus digital platform and the planned creation of a worldwide training service. This will give Group employees – whatever their occupation – the same high-quality opportunities to develop their skills in line with their expectations.

In 2021, **Bouygues Construction's** "World Club" continued to develop its network of global high-flyers. This programme aims to establish a reliable network of international talent, with participants working on strategic

issues and being helped to a clearer understanding of Bouygues Construction’s challenges, while also strengthening job mobility and

employee buy-in. In its fourth year, the programme brought together 29 people across all lines of business, originating from 15 countries.

Training

Scope ^a : France - International (companies with more than 300 employees)	2021 Group total	2020 Group total
Number of trained employees	76,087	80,165
Number of training hours	1,215,131	1,719,620
Average number of training hours per trained employee	16.0	21.5

(a) Coverage rate: 92% of the Group’s headcount (Scope 4).

Indicator available at bouygues.com: Training by type in France.

Because of the pandemic, the number of in-person training classes decreased while remote learning (which is not included in this indicator) increased.

3.2.4.4 Stimulate innovation through intrapreneurship

The Group has been promoting intrapreneurship across its business segments for over 20 years. From the precursor “Mobile Tribe” (a WAP-based social network) in 2000 at Bouygues Telecom to the Group’s latest programme, “Les Entrepreneur(e)s”, in February 2021, each business segment has established an intrapreneurship scheme for its employees or is supporting a company originating from an intrapreneurship endeavour.

Intrapreneurship schemes exist to galvanise the Group’s capacity to innovate by bringing employees on board, providing a framework for ideas to mature over time and for incubating innovative projects from start to finish, complete with internal support. As a result, employees are able to hone new skills that are in demand on the job market, culminating in enhancing their employability.

At **Group** level, “Les Entrepreneur(e)s” aims to strengthen employee buy-in and encourage value-enhancing, innovative projects. This is founded on the adoption of entrepreneurial methods and competitions between various subsidiaries tackling a specific Group-wide issue.

At **Bouygues Construction**, “Smart Melody” supports employees who have come up with innovative projects. It is international in scope, harnessing the work of teams in Canada, France, Germany, Switzerland and the UK.

Within **TF1**, intrapreneurship arrangements are in place to identify, select and support innovative ideas emanating from its employees. Once in the programme, intrapreneurs are given the required resources, coaching and training, and they can take time out from their usual jobs. Each project has its own sponsor. Since the scheme went live in 2017, two projects have been launched and three are in the acceleration phase.

3.3 ENVIRONMENTAL INFORMATION

Further information can be found by visiting bouygues.com or consulting the CSR documentation of the individual business segments available on their respective websites

3.3.1 General environmental policy

3.3.1.1 Environmental policy

Environmental issues are considered strategic by the Bouygues group as it stakes its claim as a leading provider of solutions for the planet-wide challenges of climate change and resource scarcity. Sustainable construction and urban planning are two such solutions. Consistent with its Climate strategy, the Group is also enacting indicator-driven initiatives to limit and then reduce the environmental impact of its operations.

The environmental policies of the Group's business segments cover the various phases of their activities.

In the design phase, all Group business segments factor environmental issues into a part of their range of products and services. At the construction businesses, this is embodied by:

- environmental labels and certifications for their products (BREEAM®, HQE™, BiodiverCity, Minergie^a, E+C-^b, BBCA^c, etc.);
- promotion of the circular economy by helping create the BBCA label, which recognises circular economy criteria, such as selective deconstruction methods, throughout a building's lifecycle;
- optimising and maximising recycling on worksites, and
- lifecycle assessments (e.g. Végécol®) and the provision of eco-friendly alternatives (e.g. via the Seve® application).

Sustainable construction and research into environmental solutions are a key focus of innovation at the construction businesses (Bouygues Construction, Bouygues Immobilier and Colas).

(a) Minergie® is a pan-European performance label originating from Switzerland. It is mainly prescribed by Losinger Marazzi, Bouygues Construction's Swiss subsidiary.

(b) The E+C- (Energy + Carbon -/Positive-energy building and Carbon Reduction) label is an energy label that defines rules for the industry. The government broadly consulted with stakeholders in designing the methodology, which resulted in the publication of guidelines and a technical reference base, criteria of which are incorporated into the BBCA and Effinergie® 2017 labels.

(c) The BBCA low-carbon building label certifies that a building has an exemplary carbon footprint.

Bouygues Construction indicators

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
R&D budget spent on CSR	Global	96% of Bouygues Construction's consolidated sales	35%	32%	<p>Within Bouygues Construction, R&D is covered by nine units, of which eight were set up in 2016 (materials and structures, energy performance, sustainable neighbourhoods, smart buildings, Design Lab, new construction methods, eco-design and ergonomics & productivity). Construction Lab was added in 2021. Through these units, Bouygues Construction's R&D addresses the challenges linked to eco-construction throughout the product lifecycle, from choosing and optimising the raw materials and using sustainable sourcing solutions (including the circular economy) to end-of-life management. This level of dedication across the entire lifecycle is evident from the in-depth thinking and prototyping that is carried out right from the design phase (modularity, alternative design, etc.), through to the construction phase, with the trialling of new construction methods (robotisation, mass production, etc.), and then to the operation phase, with new habits and future services also accommodated.</p> <p>In 2021, the proportion of CSR-related R&D expenditure increased marginally to reach a level similar to R&D expenditure on productivity (34%). The focus of CSR research was materials and structures, construction methods – in particular timber construction – and energy performance.</p>

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Buildings in the annual order intake with a commitment to environmental labelling or certification prescribed by Bouygues Construction	Global Construction activities	44% of Bouygues Construction's consolidated sales	77%	63%	<p>Whenever Bouygues Construction acts as a designer/builder, it endeavours – wherever possible – to include environmental certification and/or labelling commitments that exceed applicable regulations.</p> <p>This indicator is particularly vulnerable to business-related fluctuations in the markets where Bouygues Construction operates.</p> <p>In 2021, the total amount of order intake in which Bouygues Construction acts as designer/builder dropped by a third. The increase in this indicator was due to the numerous certifications (HQE™, BREEAM®HQE, BREEAM, Site 2000 Watts, etc.) attached to projects booked over the period.</p>

Concerning Group operations (primarily worksites and fixed locations such as workshops and production sites), management of environmental impacts chiefly relies on the use of environmental management systems (ISO 14001) as well as certifications (HQE™, BREEAM®).

In addition to these tools, the Bouygues group's construction businesses have developed their own methods for assessing environmental performance that factor in the specific features of their respective activities:

- Bouygues Construction's TopSite label (see section 3.3.1.2), and/or
- At Colas, environmental self-assessment checklists for production activities^a (covering 84% of Colas sales) and Unicem^b environmental charters covering extractive industries.

As part of its internal processes, the Bouygues group implements an environmental certification policy governing the construction and operation of its own buildings. The headquarters of Bouygues SA, Bouygues Construction (HQE™, LEED®, BREEAM®), Bouygues Immobilier and Colas as well as Bouygues Telecom's Technopôle, Printania (a customer relations centre) and data centre sites carry this certification.

Given the type of products and services offered by the Group, environmental-performance policies and initiatives applied when structures are in the operating phase are crucially important. For example, Bouygues Construction and Bouygues Immobilier support customers in managing and limiting their final energy consumption. Their offers include performance commitments in

(a) Mixing plants, extraction sites, binder plants, bitumen deposits, concrete batching plants, recycling platforms, waste storage installations.

(b) France's national association of quarry and construction materials industries.

the form of Energy Performance Contracts (EPC) for commercial and residential properties (see section 3.3.4.2).

Environmental certifications relating to the operation of buildings (HQE™ Exploitation, BREEAM® in use) prescribed by the business segments, carry requirements in energy and resource management in the area of operations and maintenance.

3.3.1.2 Environmental risk prevention

Risk analysis

In general, environmental risk prevention requires early-stage analysis that maps or assesses the risks connected with production sites or fixed business-related locations.

The main environmental risks are identified in Chapter 4 of this document, in sections 4.1 Risk factors and 4.3 Vigilance plan.

Bouygues Construction indicators

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Sales covered by an ISO 14001-certified EMS ^a	Global	96% of Bouygues Construction's consolidated sales	96%	94%	Management of environmental impacts in Bouygues Construction's operations is based on an ISO 14001-certified environmental management system that is used almost universally, as shown by 2021 figures. In 2021, 96% of Bouygues Construction's sales were covered by an ISO 14001-certified EMS, unchanged from the previous year.

(a) Environmental Management System.

At Colas, environmental certification is rolled out to cover over half of the sales of fixed locations, especially materials production sites. Annual cross-audits of subsidiaries in Belgium, mainland France and Switzerland, conducted by specially trained internal auditors, serve to evaluate facilities and reinforce prevention. This type of certification is being rolled out to other operating regions, starting with an initial pilot project in Canada last year.

Internal procedures

The Bouygues group's business segments have implemented their own internal environmental management systems and labels so that the environmental risks pertaining specifically to their type of activities can be better managed.

- Environmental checklists, used by Colas in France and internationally for over 15 years, target ten different types of permanent facilities: mixing plants, extraction sites, binder plants, bitumen deposits, concrete batching plants, recycling platforms, waste storage installations, workshops, storage facilities and laboratories. All such units conduct an annual self-assessment using the checklist specific to their operations. In 2021, 76% of facilities undertook this self-assessment, representing 2,312 checklists completed compared with 3,034 permanent facilities. The findings from the checklists are used to:

- determine the level of environmental safeguarding for operations, and

Environmental management systems

As an integral part of CSR policy at Bouygues, implementation of an environmental management system is one of the four actions that the business segments pledge to improve the Group's environmental performance. Standards (ISO 14001, ISO 50001 and ISO 9001) and the environmental certifications (HQE™, BREEAM®) enacted in Group operations provide a framework for environmental management.

To reduce environmental hazards on Bouygues Construction worksites and at locations operated by Colas, both business segments rely on environmental management systems largely based upon ISO 14001.

These management systems incorporate a risk assessment and procedures by which entities can address the environmental issues relating to their particular activity.

- pinpoint areas of non-compliance that could impact the environment.

Actions are then defined to improve environmental management for these operations.

Launched in June 2019, "Chloé" is a digital platform that facilitates completion of these checklists, available at Colas locations. It also centralises data so that scorecards can be produced. In 2021, Chloé was up and running at 80% of all locations.

- Bouygues Construction continued rolling out the internal TopSite label, three years after it went live. In total, 33% of worksites have been labelled TopSite and 45% were assessed during the reporting period. TopSite covers environmental, social and HR-related issues as well as innovation. The scorecard used, which covers construction operations, has started to be applied to infrastructure, energy and service activities as well. All themes are weighted equally. Earning the TopSite label reflects a determination to deliver excellence in every aspect of CSR. Certification is steadily being incorporated into processes and managed more consistently, as can be seen from the fact that the percentage of certified sites increased, even though the number of eligible worksites also rose in the reporting period. TopSite also drives improvements in the maturity of certain national markets such as Turkmenistan, where all projects (€1.5 billion) have been labelled since the certification was launched in 2018.

Colas indicators

Indicator	Scope	Coverage	2021	2020	Remarks
Materials production activities that use a tool to manage environmental impacts (environmental certification and/or Colas checklists) as a % of sales before inter-company eliminations	Global	100% of the sales before inter-company eliminations of the materials production sites	88%	83%	The 5-point increase was due mainly to the rise in the indicator for Canada (+28 points), particularly at McAsphalt (42 points) and Miller (51 points), for which nearly 100% of sales before inter-company eliminations of the materials production sites were generated through operations certified by an environmental management system or self-assessed by the Colas Environmental checklist in 2021.

(a) Activities to which the checklist applies: fixed quarries; fixed gravel pits; borrow pits; hot-mix plants; cold-mix plants; asphalt plants; plants making binder, emulsions and/or fixed modified binders; concrete batching plants; fixed prefabrication plants; fixed recycling plants; fixed bituminous binder storage facilities. This excludes some highly specific, low-volume production activities (e.g. steel framing).

3.3.1.3 Train and raise awareness to help protect the environment

The Bouygues group runs a wide range of training and awareness-raising programmes for employees and externals on the importance of protecting the environment.

Training and awareness-raising at Group level

The Group Sustainable Development-QSE department holds seminars to train Group managers to self-assess their own practices and situate themselves in relation to best practice as defined by the EFQM (European Foundation for Quality Management) model and ISO 26000. By 2021, the seminar programme – called “Abby” – had organised a total of 96 sessions (with an average of around 12 participants per session) since its launch in 2006.

The Bouygues Management Institute (IMB) also runs the courses “Towards the contributive company” and “Carbon-free prosperity” for the benefit of senior executives at the five business segments. These tackle themes such as the emergency facing our planet and the societal shifts that are driving changes across the Group’s business models.

Since October 2019, “La Fresque du Climat” has been available throughout the Group. Dovetailing with the Group’s climate strategy, this educational workshop enables participants to grasp the main climate mechanisms and the impact that business has on the planet and people’s health. By 31 December 2021, over 3,400 employees had taken part in this workshop (2.7% of headcount) and 135 had been trained to run it for others. The European Sustainable Development Week (ESDW) marked another opportunity to promote this workshop among the workforce. Bouygues Immobilier last year ran “La Fresque du Climat” for all its management committees.

New Group-wide initiative on “responsible digital technology” launched

A new digital sustainability policy was instigated across the five business segments in 2021. During this first year, an IT-specific carbon audit was conducted, identifying the avenues worth pursuing in the first instance. This data was then used to create roadmaps and 2022-2025 action plans (pilot phase informed by best practice guidelines from Cigref). A Group-wide working group comprising representatives from the information systems departments of the five business segments was set up to manage the policy and share best practices. The Group Sustainable Development & Quality Safety Environment (QSE) department is also involved. The objectives are:

- to enhance the visibility of the “Responsible Digital” theme in the information systems departments and beyond;
- to design and monitor cross-disciplinary initiatives, and
- to track shared management indicators.

Although IT-related greenhouse gas emissions represent less than 5% of the Group’s emissions, levels are constantly on the rise, making this a key challenge. Various ways exist in-house to deal with the issue. These are:

- Data storage, in terms of both volume and geographical location (energy mix of hosting countries, types of servers, etc.).
- Lifecycle assessments: eco-design of hardware (e.g. Bouygues Telecom’s Miami TV box) and software (e.g. using agile methods), increasing lifespans of hardware, prioritising re-use for end-of-life products (see section 3.3.4.1).
- Training and awareness-raising: on-line training, “Fresque du Climat” workshops devoted to digital technology, initiatives such as the Cyber World Clean-Up Day, making Bouygues Telecom’s “*Mon Empreinte Smartphone*” app available for free.

(a) A trade federation representing the largest French companies and public administrations that use exclusively digital solutions and services, and supporting its members in collective brainstorming on digital issues (Source: Cigref).

Initiatives of the Group's business segments

In conjunction with these Group-wide initiatives, the five business segments organise and run training and awareness-raising exercises so that the specific challenges relating to their respective activities can be taken into account. For example, their training programmes contain several modules that are partially or wholly devoted to such issues.

- On Bouygues Construction and Colas worksites, teams regularly participate in 15-minute "QSE starter" meetings, thereby raising awareness about the quality, safety and environmental issues specific to the work in progress. One area of focus can be waste and pollution hazards.
- In 2021, Colas held its first-ever Environment Day to build awareness among employees about climate issues. This took the form of an Environment Starter on worksites plus webinars, which brought together over 2,000 employees. Its Environment department also trains personnel on such issues through internal training modules.

During European Sustainable Development Week, Colas used a social media campaign to highlight innovative mobility solutions. These included "Wattway Pack" (for soft mobility), Qievo (see section 3.3.2.3), ANAIS^a and Flowell (see section 3.4.2.1).

- Bouygues Bâtiment International put together a climate training programme to build awareness among all its employees by 2025. The programme has three stages:
 - The "La Fresque du Climat" workshop : to grasp and discuss the issues related to climate change;
 - "Let's Clim'Act, the Game": a learning workshop designed by Bouygues Bâtiment International along the same lines as "La Fresque du Climat" but focusing on the theme of construction activities;
 - on-line climate training to fill in any gaps in knowledge about the Group's carbon footprint reduction strategy.

At Bouygues Bâtiment France Europe, a training module on the French Environment Code (law on water and biodiversity protection) for construction work employees will be rolled out in 2022.

- At Bouygues Immobilier, mandatory training on low-carbon solutions has been followed by 83.5% of the workforce. Biodiversity training was created for employees in general, and a conference was held to launch the Biodiversity strategy, with Bernard Mounier (Chairman of Bouygues Immobilier) in attendance. In addition to "La Fresque du Climat", several similar serious games have been trialled, including one on construction and – for the first time – one on urban environments, aimed at UrbanEra teams.
- In 2021, aside from running the "La Fresque du Climat" workshop, Bouygues Telecom increased awareness through training on:
 - the application of eco-design (on-line training available to all employees);
 - climate-related issues (webinar targeting buyers).

(a) A French acronym for Acquire, Digitise, Analyse, Inform and Make Safe.

(b) The French environment and energy management agency.

Raise awareness among the general public

The Bouygues group works to build awareness about environmental protection and climate change among external stakeholders.

This includes taking part in international events to promote its initiatives and innovations for making urban environments more sustainable and making progress become reality. In 2021, Bouygues showcased the Group's innovations and its ecosystem at the Viva Technology event (16-19 June). Because of the pandemic, the Group could only run a virtual stand, accessible via the Vivatech digital platform. Bouygues and its business segments demonstrated their solutions during eight web broadcasts, available on the Bouygues YouTube channel. Subjects covered included climate, smart cities and mobility. The Group was also present at the Pollutec trade fair (12-15 October, held at Eurexpo Lyon), where it presented solutions linked to the circular economy (including low-carbon construction and limiting the loss of greenfield sites) at its information stand and by means of live talks.

The TF1 group works hard throughout the year to raise awareness among its audiences about environmental issues, such as through:

- the Ushuaïa TV theme channel;
- several shows aired by its channels and digital platforms, including special news reports, *Génération Ushuaïa* programmes, *24h pour la Terre* and the *Global Citizen Live Concert*);
- children's cartoons;
- the "Impact positif" and "Live Écologie" sections on Ici.fr;
- the "Impact Positif", "Juste Mieux", "Marmiton" and "Les Numériques" podcasts;
- its "My Green Letter" newsletter, produced by My Little Paris.

On 2 July 2021, a new edition of Campus TF1, organised by TF1 Pub on the theme of eco-responsibility, was held at La Seine Musicale in Boulogne-Billancourt, near Paris, where advertising ecosystem stakeholders met to discuss the theme "Environment and business: how can we accelerate the transition to a more sustainable society?". TF1 Pub has given responsible advertising fresh impetus by launching EcoFunding, the first advertising fund with an environmental focus. Each campaign showing adverts featuring one of the eligibility criteria recommended by Ademe^b will trigger a contribution to the fund by TF1. EcoFunding exists to finance the creation and broadcasting of easily understandable awareness campaigns that help consumers make informed choices.

TF1 Pub was also the first multi-media advertising sales unit to team up with Goodeed, in 2020. One year on, TF1 Pub announced a positive initial assessment based on the 40 advertising campaigns that have already been aired or shared (on TF1 and/or MYTF1). Thanks to this, over €450,000 was collected and donated to charities active in different spheres, from environment and inclusion to education and poverty alleviation. Encouraged by these strong results, TF1 Pub and Goodeed are moving up a gear and announcing new packages (TV, digital and social media) while also teaming up with Unify.

TF1 is a co-founder of the non-profit Ecoprod, through which it trains broadcasting industry personnel in environmentally friendly production techniques.

Bouygues Telecom released "*Mon empreinte Smartphone*", a free app that can be downloaded from the Apple App Store and the Google Play Store. The app gives users – customers and non-customers alike – a detailed

picture of their 4G/5G and WiFi data usage and the equivalent footprint in grammes of CO₂. It also provides easily understandable equivalents in terms of consumption plus tips and eco-friendly behaviour, helping people reduce their environmental impact on a daily basis. Because targets can be personalised, the experience is more fun, encouraging as many people as possible to adopt the app. It has been downloaded more than 42,000 times (as at 7 January 2022).

Bouygues Telecom continued to inform customers about environmental impacts and the importance of eco-friendly behaviour through a variety of articles and newsletters. The article “15 simple ideas to reduce your digital impact on the environment”, for example, has been opened over 6,500 times. Bouygues Telecom also raised awareness about the options available for repairing, recycling and trading in smartphones under the “Sustainable Smartphone Solutions” programme.

At Colas, grass-roots dialogue with local residents, which includes information about environmental issues (including biodiversity), has led to higher acceptance of materials production activities.

In 2020 Bouygues Immobilier’s corporate foundation forged a partnership with VoisinMalin, a charity that recruits and trains local residents keen to help others. Its permanent employees, the original ‘smart neighbours’, provide useful information door-to-door to their neighbours, in partnership with local stakeholders. The purpose of this information is to help people improve their daily lives and reconnect with officialdom in everyday matters, from housing and living conditions to fuel poverty and healthcare.

3.3.1.4 Provisions and guarantees set aside for environmental risks

In the normal course of its business, Bouygues Construction is exposed to direct pollution risks, which are both limited in nature and strictly controlled. Potential hazards are carefully assessed based on a full analysis

of operations. As a result, the company does not have to set aside a material amount of provisions.

Pollution risk is included in Bouygues Immobilier’s major-risk map, under the heading of climate risk and environment. Land-purchasing procedures include preliminary soil testing. Obtaining a report certifying the absence of any soil or subsoil pollution is a necessary precondition before signing a contract for the purchase of land. An exemption may only be granted upon prior authorisation of the vetting committee. In this specific case, cost overruns from decontamination, assessed on a case-by-case basis, are folded into the total cost of the transaction, prior to signature of the land-purchase contract. Because the related financial data are confidential, it is not possible to disclose an order of magnitude for the amount provisioned in this report.

Colas makes provisions for clean-up expenses on contaminated land when the amounts have been determined using an assessment by an independent firm and when a date for site rehabilitation has been set (e.g. by the competent authority) or is otherwise known (e.g. date of lease termination). With regard to financial guarantees and provisions for rehabilitation, a large number of quarries and other sites worldwide are subject to specific regulatory requirements when they are no longer operated and require provisions to cover environmental risks during operation. This entails a wide variety of guarantees and practices (such as performance bonds, insurance, escrow accounts and provisions) that depend on national laws. Colas’ provisions for on-site rehabilitation commitments totalled €190 million in 2021. To date, there is nothing to indicate that these comprehensive measures are insufficient, either during internal or external audits, or during the investigation of insurance claims.

There are no business-related environmental risks at TF1 and Bouygues Telecom that would warrant the booking of provisions.

3.3.2 Taking part in the fight against climate change

In 2021 (as in 2020), Bouygues was rated A- in the CDP Climate Change List, marking the sixth consecutive year it achieved an A or A- rating. This global list highlights those companies most active in the fight against climate change. This score was published in late 2021. Colas’ climate objectives (Scopes 1, 2 and 3a) have been endorsed by the Science Based Targets Initiative (SBTi).

In late 2020, Bouygues officially affirmed its support for TCFD^a principles by signing up to this ad hoc platform. Of the four main thematic areas, the recommendations concerning governance, strategy, and metrics and targets are followed. The risk management theme is being further developed as part of the implementation of the Group’s Climate roadmap, as well as work on the duty of vigilance.

The Bouygues group remains dedicated to The Shift Project, as shown by its signing of the “Decarbonize Europe Manifesto” in 2017, and it participates in the think tank’s research alongside other companies and eminent persons. The Group has sponsored “Le Grand Défi – Des entreprises pour la Planète” and is also patron of other climate initiatives such as “Time for the Planet”. Bouygues Immobilier sits on a panel of 149 companies representing the French business world at the “Convention des Entreprises pour le Climat” (CEC).

This year, special training entitled “Carbon-free prosperity” was launched, targeting the Group’s 400 top managers. By the end of 2021, 15% had taken the course.

3.3.2.1 Measure greenhouse gas emissions to assess the material impacts of business activities and products on climate change

The Bouygues group’s business segments audit their carbon emissions pursuant to Article 75 of the Grenelle II law (Law 2010-788 of 12 July 2010 on France’s national commitment to the environment). To keep in step with regulatory changes and identify major sources of greenhouse gas emissions, particularly those generated by the use of its business segments’ products and services, the Group annually takes steps to expand its carbon reporting to include Scope 3b sources where appropriate and meaningful. Various methods are used in carbon accounting. Colas bases its figures on the reporting of energy consumption within Scopes 1 and 2 and on ratios tracking CO₂ emissions per unit of sales, by type of business, for Scope 3a. Colas is updating its methodology for calculating carbon footprint based on the physical flows measured using financial information systems.

(a) Task Force on Climate-related Financial Disclosures, which was set up at the behest of the G20 leaders. It exists to encourage companies and organisations to communicate transparently on climate-related financial risks so that investors can take them into account in decision-making (definition by EcoAct).



As part of this work, the criteria selected for classifying an emissions source as significant (or not) are: coverage^a, relevance^b and feasibility^c. Emission sources that do not meet one or more of these criteria are not calculated.

For example, the criteria of feasibility, relevance and coverage cannot be applied to Colas for the following two emissions

sources: “Use of products and services sold” and “End-of-life of products sold”. Uncertainty arises in connection with:

- accounting for infrastructure usage;
- the low proportion of sales from the construction of new infrastructure, and
- and the complex rules for allocating emissions in relation to usage and infrastructure end-of-life.

Bouygues group greenhouse gas emissions

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total
Scope (activity or region)	Global	France (excluding subsidiaries)	Global	France and Monaco (including Newen and Unify)	France	
Coverage						
as a percentage of sales	96%	89%	100%	89%	100%	95%
Scope 1	1%	n.m.	11%	n.m.	n.m.	12%
Scope 2	0.6%	n.m.	1%	n.m.	0.2%	1.7%
Scope 3a	14.6%	1.6%	64.5%	0.9%	4.6%	86.3%
Total Scopes 1 to 3a	16.3%	1.7%	76.3%	0.9%	4.8%	100%
Total Scopes 1 to 3a						
in millions of tonnes of CO ₂ eq.	2.7	0.3	12.5	0.2	0.8	16.5
Scope 3b in millions of tonnes of CO₂ eq.	4.3	0.2	n.c.	n.c.	0.1	4.6

n.m. = non-meaningful: indicates all figures below 0.05% or 0.05. n.c. = not calculated: indicates any item that is not yet calculated.

The Bilan Carbone® (carbon audit) is useful in providing ideas of scale and identifying areas for improvement but cannot be considered a reliable performance indicator because of the inherent uncertainties. Additionally, this exercise is tightly correlated with yearly sales volumes, which can limit the use of this analysis on its own. Instead, it produces orders of magnitude and pinpoints areas in which action can be taken.

At Bouygues Construction, a new Climate strategy was initiated in January 2021 and implemented across all entities within the group. It focuses on upskilling and increasing overall awareness among employees throughout the year. Carbon-related challenges are also included in internal processes. The reporting protocol was updated to bring it into line with the Group's carbon strategy, about which a reminder was issued to all entities. Work is also continuing to improve reliability, particularly in measuring the energy consumption of leased plant equipment. The results from this campaign will be reviewed and analysed in the form of a strategic scorecard. This will be made available to the various executive bodies as a means of encouraging the continuation of action plans and achieving the objectives set forth in the Climate strategy.

At Colas, the 2021 footprint increased by 4%, resulting from higher electricity consumption in France to produce aggregates (Scope 2), and from higher sales (Scope 3a). Although CO₂ emissions from some regions dropped significantly (most notably the UK and East Africa), Scope 1 increased overall due to the increase in direct CO₂ emissions in countries where business activity was dominated by major projects (Australia, Ivory Coast, Belgium, Czechia).

In 2021, Bouygues Immobilier saw a decrease in housing starts measured in m², which for the most part (Scope 3) explains the smaller footprint relative to the previous year (28%), in addition to the impact from the pandemic (Scopes 1 and 2).

Because, in contrast, there was a 30% decline for Scope 3a between 2020 and 2021 due a change in methodology.

At TF1, the scope was extended in 2021. The TMC subsidiary in Monaco plus all the head office operations of subsidiaries Newen and Unify in France were added to this scope, which already included TF1's Tour and Atrium buildings in Boulogne-Billancourt, near Paris. The increase in Scopes 1, 2 and 3 is therefore attributable to the inclusion – within the 2021 scope – of these subsidiaries' carbon footprint for the first time.

At Bouygues Telecom, the main factor behind the increase relative to the previous year was the update to Scope 3 in 2020, which consisted of extending it to cover new subsidiaries and business activities, and taking steps to improve the reliability of the methodology.

Generally speaking, the Group's business segments continue to work hard to develop the most accurate forms of carbon accounting possible, taking a broad-based approach. Offering low-carbon solutions to customers is a priority for the Group. This includes timber constructions, the use of lower-emission materials (such as low-carbon concrete) and consideration of usage behaviour as well as maximising energy efficiency, implementing circular-economy initiatives and pooling telecoms infrastructure. Furthermore, Bouygues Construction and Bouygues Immobilier have detailed reduction targets in this field.

(a) The reported information concerns the five sources with the highest emissions and/or that cover at least 80% of the emissions.

(b) Sources exhibit existing potential for improvement and the company has some control over them.

(c) The ability to collect reliable information.

Greenhouse gas emissions by source

Simplified sources Bouygues group	Scope	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total
Energy consumption (on-site combustion)	Scope 1	1.1%	n.m.	10.8%	n.m.	n.m.	12%
Direct emissions excluding energy	Scope 1	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Consumption of electricity, steam, heat or refrigeration	Scope 2	0.6%	n.m.	0.9%	n.m.	0.2%	2%
Upstream energy ^a	Scope 3a	0.2%	n.m.	1.5%	n.m.	n.m.	2%
Purchases of goods (raw materials, construction materials, etc.) and of services	Scope 3a	13%	1.6%	48.9%	0.9%	1.6%	66%
Waste generated by operations	Scope 3a	0.5%	n.m.	2.5%	n.m.	n.m.	3%
Upstream and downstream freight transport	Scope 3a	n.m.	n.m.	7%	n.m.	n.m.	7%
Capex, non-current assets and leasing	Scope 3a	0.7%	n.m.	3.7%	n.m.	2.8%	7%
Travel by employees (business trips and commuting), visitors and customers	Scope 3a	0.1%	n.m.	1.4%	n.m.	0.1%	2%
Total Scopes 1 to 3a		16%	2%	76%	1%	5%	100%

(a) This corresponds to emissions related to the production of the fuel used (mainly extraction and refining of gas and petroleum products); combustion of these products is counted under scope 1. This corresponds to source 8 in the Ademe methodology.

Scope 3b

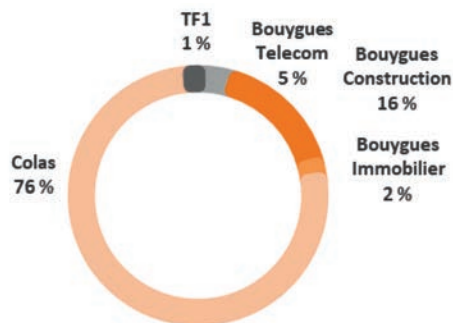
in millions of tonnes of CO₂ equivalent

Use of products and services sold	Scope 3b	4.3	0.2	n.c.	n.c.	0.1	4.6
End-of-life of products sold	Scope 3b	n.c.	n.m.	n.c.	n.c.	n.m.	n.c.
Total Scope 3b		4.3	0.2	n.c.	n.c.	0.1	4.6

n.m. = non-meaningful: indicates all figures below 0.05% or 0.05.

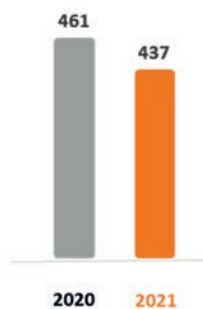
n.c. = not calculated: indicates any item that is not yet calculated.

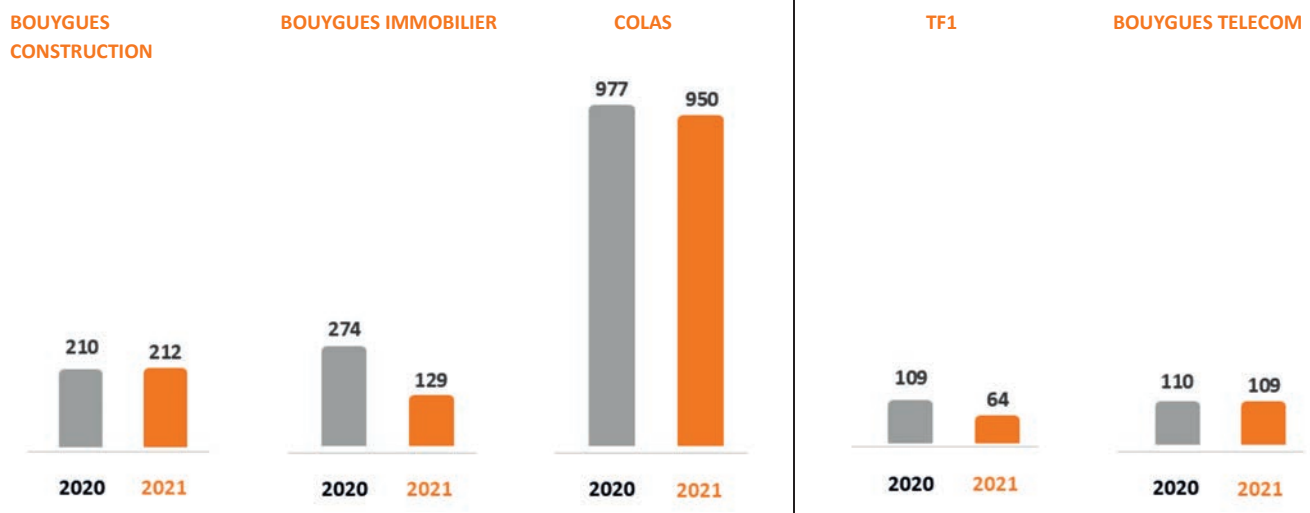
GHG emissions by business segment (Scopes 1, 2 and 3a)



Carbon intensity of the Group (Scopes 1, 2 and 3a)

in tonnes of CO₂ equivalent per € million of sales



Carbon intensity by business segment (Scopes 1, 2 and 3a)in tonnes of CO₂ equivalent per € million of sales**3.3.2.2 Implement the Group's climate roadmap**

Bouygues believes it has an important part to play in decarbonising the building and civil works sector, responsible for around 30% of global greenhouse gas emissions. Bouygues' construction businesses alone account for over 90% of the Group's greenhouse gas emissions. Bouygues has therefore set itself four objectives:

- respond to the climate emergency by contributing to the target of global carbon neutrality (2015 Paris Agreement);
- meet the growing expectations of its stakeholders (customers, employees, the financial community, suppliers and subcontractors, civil society);
- transform climate change constraints into business opportunities and create differentiating factors;
- enhance its reputation as a socially responsible enterprise.

The nature and diversity of Bouygues' activities mean that the consolidation of a Group-wide Climate target is not appropriate. Nonetheless, all the business segments have used the same methodology to frame their Climate strategy. This shared methodology has eight pillars:

- Defining a forward-looking scenario-based analysis.
- Adapting business models to climate changes.
- Setting reduction targets for greenhouse gas emissions in relation to controllable Scopes (1, 2 and 3a) with a target of limiting the rise to 1.5°C by 2030.
- Designing policies for helping customers (BtoB and BtoBtoC) to reduce greenhouse gas emissions under Scope 3b.
- Stepping up development of low-carbon commercial solutions as well as solutions for adapting to climate change.
- Rolling out in-house initiatives to reduce the Group's carbon footprint.

- Starting to list and assess the financial and human resources required for the implementation of the Climate strategy.

- Fleshing out the governance structure of the Climate strategy.

The above methodology was developed in 2020 in conjunction with Carbone 4, an environmental consultancy, with particular reference to forward-looking scenario-based analysis. In that respect, two types of 1.5°C scenario resulting in a low-carbon company were developed based on research from the IEA :

- The first scenario, focused on technology, postulates that the social and environmental transition will mainly rely on technological innovation capable of maintaining GDP growth while significantly reducing environmental impacts, through a kind of 'decoupling'.
- The second, focused on restraint, postulates that the social and environmental transition will rely on the notions of resilience and societal change through the adoption of new concepts of prosperity and social well-being.

The analysis then sought to predict how the current activities of each business segment would fare in each low-carbon scenario. Also examined was how the new business paradigm arising from each would impact operations, either positively or negatively.

The risks and opportunities pinpointed through this exercise furnish an understanding of the stress resistance of each business segment's strategy against the backdrop of the different decarbonisation trajectories. As a result, each of Bouygues' five business segments has defined:

- the physical and transition risks, the factors which determine the scope of its activities and the markets which could be materially affected by climate change and the low-carbon transition; and greenhouse gas emission reduction targets for Scopes 1, 2, 3a (and 3b for Bouygues Immobilier and Bouygues Telecom);

(a) UNEP/GlobalABC.

(b) International Energy Agency.

Greenhouse gas emissions reduction targets by 2030

Scope	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom
Reference year	2019	2020	2019	2019	2020
Scope 1 and 2	-40%	-32%	-30%	-30%	-50%
Scope 3a	-30%	-32%	-30%	-30%	-30%
Scope 3b		-32%			-30%

One of the goals for 2021 was to match roadmaps with spending plans to help the former come to fruition. The Group announced it has earmarked an estimated €2.2 billion^a over three years (2022-2024) to help reduce its carbon footprint. This strategy will only be successful if the following areas continue to be tackled:

- Governance (see section 3.3.1 and paragraph 3.3.1.2).
- Decarbonising products and services (see paragraph 3.3.1.3).
- Responsible purchasing (see section 3.4.5).
- Raising awareness (see paragraph 3.3.1.3).
- Partnerships (see section 3.3.1).

The Climate strategy is managed at several levels. A Group Climate Strategy and Biodiversity Committee has been set up, representing all the business segments. It meets quarterly. It is chaired by Edward Bouygues, Deputy CEO of the Group, and brings together Sustainable Development Directors tasked with monitoring the application of the roadmap. This subject matter is also overseen within Bouygues SA, the parent company, by the Ethics, CSR and Patronage Committee, which meets several times per year to review these three themes on behalf of the Board of Directors (see chapter 2 of this report). In 2021, this committee monitored implementation of the Group Climate strategy. The Board of Directors is also kept up to date on environmental issues, which are overseen by a director specially appointed to oversee this task. Group executives and top managers are also kept regularly informed through Group Management Meetings targeting specific issues. The Climate strategy is also administered at business-segment level, tailored to each one's features.

In addition, actions have begun on the recommendations of the Net Zero Initiative (NZI), a benchmark for collective carbon neutrality. This has focused on two other decarbonisation pillars: reducing others' emissions (Pillar B) and developing carbon sinks (Pillar C). Every business segment has designed a methodology for calculating the volume of carbon emissions avoided by their products and services. Elan, the consulting subsidiary of Bouygues Construction, has also developed an initiative for implementing coherent approaches to establishing carbon sinks for all the Group's business segments. The objective of this "Climate Facilitator" is to encourage the business segments and their customers to help develop carbon sinks by participating in voluntary carbon markets. This provides another way of helping the drive towards carbon neutrality without detracting from the requirement to reduce emissions – which has been in progress for several years. The initiative focuses on the engineering for establishing carbon sinks, in association with an ecosystem of business partners, and is made available to each business segment in support of their long-term climate strategies. Information about the Bouygues group's Climate strategy is available at bouygues.com.

3.3.2.3 Contribute and promote climate-positive solutions

The recognised expertise of its sectors of activity (construction, media and telecommunications) has enabled the Group to design a multi-service offer to help towns and cities reduce their carbon impacts. For several years, the Group has been innovating to make quantifiable progress in energy and carbon, offering effective solutions in the areas of low-carbon construction, eco-neighbourhoods, soft mobility and urban services, plus energy management and efficiency solutions.

The Group's 2021 Integrated Report, published on 24 February 2022, provides more information and examples of the low-carbon solutions that it has developed for its customers.



Low-carbon buildings

Low-carbon buildings are an economic and environmental profit centre. The Bouygues group (Bouygues Construction including Bouygues Energies & Services) and Bouygues Immobilier) and their business partners market scalable offers, beginning at the design stage and going all the way through to when buildings are up and running. These use:

- traditional and bio-based construction materials that can be re-used or recycled;
- smart systems for optimised building management, and
- renewable energies production systems combined with storage systems.

No net land take

Bouygues and its business partners offer French local authorities integrated solutions to recycle brownfield sites – combining sustainable construction, energy efficiency, land-use diversity, soft mobility, biodiversity and new technologies adapted to residents' needs. The Group has several developments in France, such as La Maillerie (Lille), a project for rehabilitating a former logistics hub, and La Distillerie (between Villeneuve d'Ascq and Sainghin-en-Mélantois in northern France), a "no net land take" showcase aimed at revitalising and restoring nature to polluted areas.

Since 2016, the Group has helped set up two sustainable-city demonstrators in France, under the auspices of the government-backed Institute for Sustainable Towns (IVD). These two demonstrators, Eureka Confluence (Lyon) and Descartes 21 (Marne-la-Vallée), will serve to test – as part of a special scheme – ground-breaking innovations in all areas of urban life.

Led by UrbanEra, Bouygues Immobilier's Major Urban Projects division, the Étoile project in the heart of the Annemasse district (south-east France) will produce as much energy as it consumes. Several initiatives have been launched: the construction of buildings that exceed the requirements of existing thermal regulations (RT2012); the creation of low-carbon heating

(a) Estimate by the business segments of the expenditure and investment necessary to achieve the climate targets.

(b) www.bouygues.com

systems; and the development of roof-top solar panels to generate renewable electricity locally. The project is due to attain 2025 performance levels under France's new environmental regulations (RE2020).

Soft mobility and urban services

Bouygues helps local authorities introduce sustainable mobility solutions. It develops transport infrastructure (tram lines, cycle paths, etc.) and designs soft mobility solutions for its eco-neighbourhoods. This includes links to public transport networks, vehicle sharing, electric vehicle charge points, shared parking spaces and e-bikes.

Colas is developing a broad portfolio of tangible solutions to climate-related challenges by:

- producing warm, semi-warm and cold asphalt mixes;
- making fuller use of recycled materials and developing in-place methods for reclaiming asphalt pavement, using emulsions;
- using plant-based and low-carbon binders (e.g. metakaolin), and
- producing or buying low-carbon concrete.

In this respect, Colas is developing and offering solutions that respond to new usage patterns and mobility requirements, such as:

- **Qievo**, which optimises traffic flows around worksites in dense urban areas by limiting disturbances for local residents and road users and lessening the environmental impact. This same system was adapted and implemented two years ago in Lyon under the name Réguly, on behalf of SPL Part-Dieu, a public-sector developer. Réguly kept trucks off the road for a total of 3,240 hours across the 25 worksites in which it was operational.
- **Moov'Hub**, which simplifies access to services in a given area and allows mobility services to be managed using agile methods. Under the name "Park'in Saclay", it dynamically manages public and private car parking spaces across the Paris-Saclay university campus. Since 2021, soft mobility services have been included in the process. All the mechanisms connected with MaaS (mobility as a service) are integrated, from single payment and

pricing management to integrated user information and partner and service provider contracting.

Bouygues Energies & Services, a subsidiary of Bouygues Construction, has developed a platform enabling local authorities to manage the energy of all their buildings and network infrastructure in order to reduce consumption. Other innovative services, also aiming to make urban environments more sustainable, include the following:

- The Toulouse metropolitan authority, Bouygues Energies & Services and Banque des Territoires have brought the first fast-charging station in the Alizé® network into service north of Toulouse. These two charge points mark the beginning of a wider roll-out across the metropolitan area that will be completed in 2022.
- OnDijon was jointly designed by the Dijon metropolitan authority and a consortium comprising Bouygues Energies & Services (lead firm)/Citélum and partners Suez and Capgemini. The associated app was released to the Apple App Store and the Google Play Store by the Dijon metropolitan authority on 30 October 2021. By doing this, Dijon is continuing to innovate by integrating residents into its resilient city project, after implementing France's first connected urban area in 2019.
- Clariant – a customer of Kraftanlagen in Romania – has built a new plant to produce cellulosic ethanol in Craiova, 230 km west of Bucharest. Cellulosic ethanol is a transport biofuel made from agricultural and ligneous waste. For this project, Kraftanlagen enlisted a workforce of up to 450 to install over 30 km of pipeline and 2,000 tonnes of primary and secondary equipment and piping.

Objenious: IoT solutions for cushioning the environmental impact

Objenious, Bouygues Telecom's Internet of Things service brand (IOT), supports companies and local authorities with their digital transformation by offering products and services harnessing LoRaWAN®, 2G, 3G, 4G, LTE-M and 5G networks. An ecosystem of partners has been put together to provide solutions that save energy, reduce carbon footprints and promote soft mobility. In November 2021, Objenious launched its NB-IoT network, a low-power cellular IoT technology, making it the only French company in the market to offer all the new cellular IoT technologies (2G, 3G, 4G, 5G, LTE-M, NB-IoT). In France, Bouygues Telecom's NB-IoT network already covers over 1,000 municipalities. Objenious forecasts that LTE-M and NB-IoT will represent 50% of new connections by 2024.

Promote effective energy-saving solutions

Bouygues helps drive the energy transition through its expertise in active and passive energy efficiency in buildings and the operation of buildings under performance guarantees.

The environmental certifications that the Group promotes for adoption include energy-saving targets. Energy Performance Contracts (EPC) give occupants guarantees on the energy consumption of their premises, for the duration of the contract. More and more residential properties and offices are being handed over with EPCs.

The Bouygues group's business segments offer customers innovative but competitively priced services for optimising energy consumption. In addition to expertise gained in designing passive-energy and positive-energy buildings and carrying out rehabilitation work,

Bouygues Construction and Bouygues Immobilier are strongly committed to various initiatives and labels such as BBCA, E+C- and 2,000 Watts.

- **BBCA**: in November 2021, Bouygues Immobilier rose to third place in the BBCA's rankings of low-carbon property developers. Four new property developments were certified, including the Kalifornia office complex, on account of its excellent energy efficiency.
- **E+C-**: the pioneering E+C- label (more Energy, less Carbon) was launched in 2016 to help companies keep pace with future environmental standards under 2020 rules on energy and carbon performance. In Saint-Julien-en-Genevois, UrbanEra will develop the first low-carbon neighbourhood in France's Haute-Savoie administrative department. It will be a "E+C- Quartier" demonstrator that aims for a 50% carbon saving per occupant.

- **2000 Watts:** this Swiss certification recognises urban developments that commit to climate protection and show evidence of using resources sustainably. Losinger Marazzi, a Swiss subsidiary of Bouygues Construction, was the first to obtain this distinction.

Bouygues Immobilier has initiated an approach that measures the level of carbon emissions avoided based on a special calculator that is now in use for the residential property range.

Manage energy efficiency

To reduce consumption, Bouygues Energies & Services has developed and marketed a system for measuring and managing energy performance for its customers (Hypervision®). Smalt (formerly known as Wizon), a start-up created and incubated at Bouygues Construction, offers solutions for reducing a building’s carbon footprint when already in use. Its technology enables occupants to track and manage their individual consumption.

In Grenoble, Bouygues Immobilier’s IntenCity office development, built for Schneider Electric, took the gold award for the most innovative project in the Developers category in 2021. This building is equipped with the latest technology for tracking and managing energy consumption and promoting the well-being of its occupants. Designed using BIM, the building’s digital twin is used to monitor and optimise resource consumption to improve comfort and save on energy.

The Group’s business segments also offer energy-performance solutions for local authorities. Nanterre Cœur Université, designed by UrbanEra (Bouygues Immobilier), is the first eco-neighbourhood in France to have a dual heating and electricity smart grid. Special attention was paid to building design and energy efficiency. In November 2021, this development won the “Sustainable neighbourhood” award (international selection) at the Green Solutions Awards 2020-21 held during COP26. This eco-neighbourhood located to the west of Paris stood out in its category and also won plaudits on an international level.

Promote renewable energy sources



Whenever possible, the Bouygues group’s business segments use renewable energy sources as a way of reducing the energy footprints of their activities and the products they use.

Positive-energy buildings produce more energy – much of which is solar, biomass or geothermal – than they consume. Some of Bouygues Construction’s and Bouygues Immobilier’s developments carry this designation.

Since 2012, Bouygues Energies & Services has been developing bespoke projects around the globe in renewable power generation, from photovoltaic to thermal and wind power. In March 2021, the largest solar farm in the UK (75 MW) was commissioned in Llanwern, Wales. With Strensham, these two installations provide enough power to cover the electricity needs of 31,500 British households annually. Further inroads were made in Japan last year with the signing of a new contract to build the Koriyama solar farm.

In 2021, Bouygues Energies & Services also teamed up with ATMB (Autoroutes et Tunnel du Mont Blanc) and Akuo Energy to form the Alp’Hyne Mont-Blanc consortium, which plans to design and operate a distribution network for renewable hydrogen produced by water electrolysis, powered by green energy sourced in the Haute-Savoie and Ain administrative departments of France.

Bouygues Travaux Publics, in partnership with Saipem, will oversee the design, construction and offshore installation of gravity-base foundations.

With its total output of around 500 MW, the Fécamp offshore wind farm will produce the equivalent of the domestic electric power consumption of around 770,000 people, or over 60% of the population of France’s Seine Maritime administrative department.

Geothermal energy was harnessed by several of Bouygues Construction’s projects in 2021. Recent examples include the new Les Fabriques neighbourhood in Marseille, the Karl Marx building in Bobigny (north of Paris), where collective heating and domestic hot water are produced on-site using geothermal energy, and the office complex in Rouen’s Flaubert neighbourhood.

Colas is also committed to transitioning to low carbon by investigating alternatives to fossil fuels (electricity, biogas, green hydrogen, etc.) as a means of reducing direct emissions linked to the energy usage of its plant, vehicles and production facilities. In 2021, Colas presented its low-carbon roadmap to suppliers during a special one-day event put on for them. Several R&D projects are under way for trialling processes for manufacturing and distributing hydrogen, in particular green hydrogen.

Colas is also continuing to develop Wattway. Its latest innovation is “Wattway Pack”, a turnkey solution of 3 to 12 traffic-resistant photovoltaic panels that can be used to produce, provide and store renewable energy for roadside equipment, as a self-contained system (electric bike charging station, pedestrian-crossing security lighting, camera, bike counter, etc.). To speed up marketing of the solution, Wattway has forged alliances with the makers of this equipment, for example Nielsen Concept, the start-up behind Mobypod secure connected bicycle shelters. Concurrently, Colas is launching Wattway into a second market: the production of renewable electricity by industrial or commercial businesses that have large car parks.

Reduce the energy consumption of business activities

The Group’s business segments are implementing programmes to help limit or reduce energy consumption arising from their operations (most notably TopSite at Bouygues Construction).

Bouygues Construction is testing out sensors measuring energy consumption by source on worksites. It is using Siconia sensors, supplied by Bouygues Energies & Services, to conduct predictive maintenance with an IoT application, and Qualistéo to display and manage energy flows, as a part of the Lean Energie initiative. The goal is to measure consumption for each type of tool, and then instigate remedial action to reduce energy use, leading at the same time to cost savings. Various steps are taken by Bouygues Travaux Publics to reduce plant energy consumption. This includes preventive maintenance and eco-driving training for mine operatives. Solutions are also developed, harnessing innovation, existing telecommunications networks and digital emission monitoring tools, to measure the energy consumption of its worksites. Some solutions are already past the pilot phase and are now implemented systematically in operations; others are still being trialled.

Bouygues Energies & Services UK has so far switched 90% of its street lighting installations over to LED. For instance, the borough of Redcar and Cleveland (Yorkshire, UK) has recorded a drop in its energy consumption. The saving equates to some 1,200 tonnes of CO₂ annually. In addition, 98% of site waste was recycled.

As part of its low-carbon strategy, Colas is working from several angles to keep fuel and power consumption in check:

- at mixing plants, where specific software is used to track energy use and the temperatures of asphalt mix production in real time, using the internet and smartphones to send notifications and generate reports. The software has been fitted to 17% of units, equating to 16% of sales before inter-company eliminations;

- “My Equipment”, a digital solution used by Colas to record and analyse the energy consumption of close to 5,000 specially equipped site machines and vehicles. The end-goal is to improve the average utilisation rates, lower idling rates and drive down energy consumption;
- employee involvement, with on-board and tracking systems being rolled out to monitor consumption of site machinery and vehicles, including training on eco-driving. Using these arrangements, Colas aims to reduce fuel consumption by 20%, and
- the ten-year transformation plan to switch the fleet to low-carbon (electric and hydrogen) vehicles and machinery, starting in 2021.

Additionally, it has been observed that, in addition to low-carbon alternatives, the following help achieve indirect energy savings:

- warm asphalt mixes, which save some 15% in production-related energy relative to hot mixes;
- recycled materials, and especially reclaimed asphalt pavement (planed materials from old road pavement), which save bitumen and aggregates and reduces production and transport costs, and
- in-place recycling, which also saves energy by reducing the need for materials and transport.

Colas is planning to extend measures and energy-saving targets to its entire fleet of plant and vehicles. For its own transport requirements, Colas also uses rail and inland waterways as an alternative to road haulage. The quantity of materials transported by alternative methods saves the equivalent of nearly 260,000 thirty-tonne truck journeys.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Energy used per tonne of asphalt mix produced KWh per tonne	Global	Asphalt mix production activities	80	81	Lower energy consumption was recorded. Following the roll-out of the “Low Carbon and Biodiversity” roadmap, the focus in 2021 was on the tighter monitoring of energy consumption in mixing plants, lowering production temperatures and using alternative fuels. Depending on where these actions were taken, a decrease in energy consumption was recorded.
Greenhouse gas emissions relative to the production of a tonne of asphalt mix in Kt of CO ₂ eq per tonne	Global	Asphalt mix production activities	19	19	This had dropped by 0.5% from 2019 to 2020. In 2021, greenhouse gas emissions relative to the production of 1 tonne of asphalt mix were stable at 19 Kt of CO ₂ eq. despite the pick-up in business and increased production output. Progress has been maintained and the low carbon and biodiversity roadmap is being implemented to ensure that the indicator keeps improving.

Bouygues Telecom has implemented energy management systems and now has three ISO 50001-certified (energy management system) sites: Technopôle, in Meudon-la-Forêt, near Paris, the Printania customer relations centre and the Montigny-le-Bretonneux data centre (also near Paris). At the data centre, a self-managing free-cooling system was installed

on cooling units. Widespread use of cold corridors reduces energy costs by 18% while helping to manage temperatures within the rooms. Other best practices are also being implemented, including regulating air-conditioning units and shutting down some units whenever weather conditions permit. Cooling represents 40% of a data centre’s overall power drain.

Bouygues Telecom indicator

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Total electricity consumption in GWh	France	100% of Bouygues Telecom’s consolidated sales	707	630	The increase mainly resulted from telecommunications network capacity improvements to boost coverage, plus increased use of digital services.

Promote solutions adapted to climate change

Climate change is impacting the environment in the following ways:

- rising sea levels;
- increased frequency of freak weather events (e.g. cyclones, flooding and rapidly rising or falling temperatures), and
- changes to ecosystems.

Coastal areas – which tend to be heavily populated – are at risk from rising sea levels and more extreme weather, accompanied by possible erosion and flooding.

To gain public acceptance, protective structures in built-up coastal areas must blend in as much as possible. This is prompting the Bouygues group to develop innovative concepts at the technical department of Bouygues Travaux Publics.

In 2021, Colas continued with its R&D initiatives to deal with urban heat islands. New actions were conducted to raise awareness of the issue within Colas and the Bouygues group's other business segments. Two urban-cooling solutions are currently undergoing full-scale trials. One of them includes an innovative mechanism for ensuring sustainable rainwater management. Colas also continues testing new instrumentation tools to measure performance of these urban-cooling solutions on site, and expertise in the field of microclimate modelling and simulation continues to be developed.

3.3.2.4 Reduce the Group's carbon footprint

Whether on worksites, at headquarters or in regional offices, the Group's business segments work hard to reduce the carbon footprints of their operations. The Group is pursuing E+C- labelling and actively promoting timber constructions (see section 3.3.2.4).

In 2021, Bouygues Bâtiment France Europe set up its new "Build Differently" unit, which aims to limit the environmental impact of projects by building 'better and smarter'. Bouygues Bâtiment has to date built more than 150 timber buildings. It has now launched WeWood, which places timber and bio-based construction at the heart of its strategy. WeWood has four main strands:

- to reduce carbon emissions by using timber wherever possible;
- to leverage timber as a means of speeding up alternative building methods (prefabricated structures, modular construction and scaling-up);
- to enhance the experience for customers, employees and local residents, and
- to occupy a long-term position in the timber construction field through innovation and R&D.

Bouygues Bâtiment France Europe's target is that 30% of all projects will be timber-based by 2030.

To reduce the carbon footprints of projects, Bouygues Construction and Colas choose materials using eco-friendly alternatives and metrics to track energy savings.

The partnership contract between Bouygues Construction and Hoffmann Green Cement Technologies aims to design and test concrete mixes incorporating a new technology, H-EVA, developed by Hoffmann Green Cement Technologies. The carbon footprint of the cement manufactured using H-EVA is 70-80% lower than for standard Portland cement. The research – led by Bouygues Construction's Materials Engineering Unit – has proven to be more complex than expected, requiring the partnership to be broadened to include Chryso, a French company making admixtures.

The concrete is tested in precast mode, in lab conditions, to reduce climate-related variability. Trials have been conducted on some worksites. Bouygues Bâtiment International is working in central Asia on low-carbon solutions for cement, in which materials such as kaolin or basalt have been used as alternatives to Portland cement.

Colas has set targets for reducing the carbon intensity of its direct emissions by 2030, with dedicated programmes for:

- reducing energy consumption at mixing plants. Fuel consumption per tonne of asphalt mix produced is monitored worldwide;
- innovating with the firing process, and
- replacing high-emission fuels.

The full support of employees will be required to make this a success. Colas continues to encourage drivers and machine operators to reduce fuel consumption by 30% out to 2030 by promoting:

- eco-driving, and
- lowering fuel consumption through better monitoring.

There are two interim targets:

- equip 100% of road and plant vehicles with on-board data collection devices; and
- ensure that equipped vehicles and plant have their engines switched off when idling in at least 80% of cases.

Energy efficiency is already taken into account when choosing which machines to buy. The target to increase average utilisation by 2% results in the least efficient equipment being automatically removed from the fleet.

In the Group's **telecommunications** activities, operating fixed and mobile networks is Bouygues Telecom's largest area of consumption. Even though energy consumption per site has been rising on an absolute basis owing to increased geographical coverage, government-required quality standards and customer usage, it has decreased significantly per terabyte carried and relative to number of customers (which is growing strongly). To make its mobile network more energy-efficient, Bouygues Telecom:

- regularly invests in new generations of less energy-intensive equipment;
- is installing smart meters so that energy consumption can be tailored to requirements in real time, and
- is rolling out software to optimise energy consumption.

This is done by switching some equipment to standby mode during demand troughs at night, or in areas where traffic is sufficiently low. Nearly 10,500 of its mobile network sites are now equipped (relative to the 13,300 meters).

3.3.2.5 Build partnerships to search for solutions

To understand the future impacts of climate change on its business activities, the Bouygues group has become a partner and active member of **The Shift Project (theshiftproject.org)**, a think-tank working towards the decarbonisation of the economy. It comprises a multidisciplinary network of scientists and industry representatives acknowledged for their experience in energy and climate change issues. The purpose of this think-tank is to issue economically viable and scientifically sound proposals to policymakers.

The Bouygues group is also a partner in Ideas Laboratory®, a think-tank bringing together experts, business leaders and researchers to carry out intelligence monitoring on the theme of the city of the future. Hosted by



the CEA^a in Grenoble, Ideas Laboratory® works to develop innovative projects meeting the societal challenges of tomorrow.

In 2021, the Bouygues group partnered with Essec to establish Global Circular Economy, the first international academic chair devoted to the circular economy. The purpose is to train the “Chief Circular Economy Officers” of the future, who will support the circular transformation of their organisations.

Bouygues Immobilier and Bouygues Bâtiment Ile-de-France, both members of the Low-Carbon Building Association (BBCA), are participating in the development of the BBCE label. They promote low-carbon buildings, by submitting candidate projects

3.3.3 Minimising the environmental impact of business activities

3.3.3.1 Avoid waste

Pollution arising from the Bouygues group’s business activities is diverse and varied, involving air, water and soil. This is mainly generated by the Group’s building and civil works sites or related to the industrial activities at certain fixed locations.

On the Group’s worksites and fixed locations, external certifications (ISO 14001) and/or in-house standards (Bouygues Construction’s TopSite label and Colas’ checklists) are the main resources available to operating units for preventing pollution.

Bouygues Construction places these subjects within the criteria to be eligible for the TopSite label (see section 3.3.1.2). Emergency procedures exist in the event of pollution incidents that put in place the appropriate remedial action. In addition, a database keeps a list of hazardous materials and the associated preventive measures. Worksites must implement procedures for controlling environmental impacts on local residents.

Initiatives by Colas to prevent, limit and where possible eradicate pollution mainly centre on its fixed locations and large worksites:

- all environmentally certified sites have an environmental analysis, dashboards and action plans. Colas checklists round out these arrangements, applying to all sites, whether certified or otherwise. Using the checklist, each site can ensure control over water, air, waste and noise pollution, and
- as required by the regulations, specific arrangements (environmental protection plans) are drawn up for major worksites, including the large-scale project to widen the A10 motorway near Sainte-Maure de Touraine (central France) and the Bus Rapid Transit (BRT) route in Cayenne (French Guiana).

The environmental certifications used by Bouygues Construction and Bouygues Immobilier also contain points to watch during the construction phase. For example, an HQE project must ensure that all kinds of pollution (air, water and soil) are kept to a minimum. The Clean Worksite Charter aims to prevent and reduce air, water and soil pollution. Lastly, the quality benchmarks (e.g. HQE, BREEAM and LEED) promoted by Bouygues Construction and Bouygues Immobilier comprise obligations for the design and operational phases that reduce air, water and soil pollution. At Bouygues Immobilier, all of its commercial property developments are certified.

Air, water and soil pollution arising from the operations of TF1 and Bouygues Telecom are very low and, moreover, immaterial on the scale of the entire Bouygues group.

3.3.3.2 Reduce other disturbances

The other forms of disturbances to which the Group’s activities may give rise are mainly exposure to noise (either day or night-time), odours, night-time lighting or vibrations. Its media and telecoms businesses are concerned by the issue of exposure to electromagnetic waves.

Acceptance of production sites and worksites by local residents is a sensitive question for the Group’s business segments. In addition to the measures set out in the ISO 14001 environmental certification, disturbances to local residents are among the points monitored by internal standards such as the TopSite label, Clean Worksite Charter and Colas checklists. One of the components of Bouygues Construction’s TopSite initiative addresses the management of noise pollution in consultation with project stakeholders. Bouygues Immobilier checks noise levels on sites covered by the Clean Worksite Charter. Where necessary, remedial measures can be taken to reduce disturbances resulting from excessive noise or vibrations.

The three construction business segments offer solutions for curbing noise pollution in and around worksites. For example:

- Qjevo, a Colas-developed system, limits disturbances by guiding trucks to follow specific routes as a way of reducing traffic congestion (see section 3.3.2.3).
- Colas works to promote public acceptance of industrial facilities, particularly those related to the use of bituminous binders. This focuses on reducing the odours caused by these operations. Work is ongoing to improve the measures already in place. A partnership between “One Colas France”, Continental Bitumen and the chemicals unit of the Colas Campus for Science and Techniques (CST) has been set up to collect and collate feedback from operations in France and abroad (Australia, Canada, US and Thailand). The plan is to use this feedback, currently in the collection phase (from on-site personnel, paving crews and local residents – some of whom are equipped with a specific app to transmit any complaints they may have), to design a solution combining efficiency and health & safety considerations.
- Solutions for the clearance of excavated spoil by river or sea. For instance, on the worksite operated by Bouygues Travaux Publics to extend the RER E rail line in the Paris region, material excavated by the tunnel boring machine is cleared using a hydraulic mucking pipe that passes right

(a)The French Alternative Energies and Atomic Energy Commission.

through the town of Courbevoie on its way to the slurry separation plant on the banks of the Seine river. All the spoil from the tunnel boring machine, equating to 2,000 m³ daily, is then removed using river transport. Otherwise, this would require 250 trucks transiting through urban areas each day.

Procedures giving priority to the re-use of deconstruction materials are implemented, reducing the need for transportation as well as the related disturbances (see section 3.3.4).

3.3.4 Drawing inspiration from the principles of the circular economy

The construction industry generated around 68% of the 326 million tonnes of waste produced in France in 2017. Since 2020, France’s Energy Transition for Green Growth law has dictated that 70% of the waste produced by the construction and public works industry must be recycled. In 2020, the Bouygues group’s business segments identified several potential angles – environmental and business-oriented – for rising to this challenge and are continuing their efforts to develop exemplary practices and operations in each of their activities. Various initiatives are already in place within the Group to take into account the guiding principles of the circular economy and eco-design. These include:

- selecting sustainable materials in design phases;
- using less resources in the building of deliverables and making more use of renovation and rehabilitation;
- recovering and recycling materials, whereby waste is reintroduced into the production cycle as a secondary raw material, and
- using innovation to lengthen product lifecycles.

Bouygues Bâtiment France Europe’s zero-waste worksite policy has two foundations:

- acting early, from the design phase, to reduce waste (eco-design), and
- supporting the process afterwards by improving management of residual worksite waste.

Bouygues Bâtiment France Europe’s objective is to implement the policy across all its projects, or at the very least have one worksite per operating unit that is implementing the policy. Bouygues Bâtiment Ile-de-France – Rénovation Privée implemented the policy at one of its renovation projects in Neuilly-sur-Seine, near Paris. This involved bringing in Suez to implement source separation and waste grading so that materials could be dispatched to the corresponding recycling channels.

Bouygues Bâtiment France Europe last year updated its environmental standards. Inert and non-inert waste, and recyclable and non-recyclable non-hazardous waste, are now sorted separately on worksites. Skips for inert industrial waste are no longer authorised, except in special cases.

Bouygues Immobilier, Bouygues Bâtiment France Europe and Linkcity are now partnering with around 30 project owners, having launched – in 2020 – “Booster du réemploi” (Boost Re-use), a collective initiative for promoting the re-use of materials. At the moment, there is no shortage of such materials, but demand channels are disorganised. “Looping”, an on-line platform, provides snapshots of demand and forecasts trends. Every year, each signatory must commit five worksites to supplying themselves with materials reclaimed from deconstructed buildings.

TF1 and Bouygues Telecom are especially attentive to exposure to waves emanating from their masts (see chapter 4 Risks and risk management). Bouygues Telecom has a specially constituted team that closely monitors changes in the French and European regulations on radio frequency exposure. It is responsible for implementing procedures for the rigorous application of these rules.

The Flaubert office complex in Rouen (Normandy), a project led by Bouygues Bâtiment Grand Ouest and Linkcity, is an example of “Boost re-use” in action.

LinkCity has pledged to conduct at least one project per year using reclaimed materials. Other Bouygues group solutions further the aims of the circular economy by making use of contributions from:

- the collaborative economy, which leads to optimised use of the goods and services offered, e.g. shared spaces in the eco-neighbourhoods built by Bouygues (car parks, gardens, third places, etc.), and
- scalable building design principles that increase the scope for reversibility, as well as extensions and changes in use over the lifecycle of the building or infrastructure.



Colas is a group that recycles across all sectors. It recycles and repurposes deconstruction materials from its own infrastructure projects, together with waste from other industries (clinker, glass, porcelain, shoe soles, etc.), to produce gravel, aggregate and asphalt. Through these efforts, it helps to reduce the number of new quarries opened, the amount of construction-site waste disposed of as landfill, and haulage of materials. Because materials are located closer to worksites, it also saves on energy. As a result, Colas is closer to becoming self-sufficient in materials in each region. With over 420 recycling plants worldwide (permanent and mobile recycling platforms), Colas recycles wherever it can.

(a) Source: Ademe (the French environment and energy management agency).

3.3.4.1 Produce less waste : reuse, recycle and repurpose

Recycle and reuse construction-related waste

Environmental management systems (e.g. ISO 14001), as well as internal standards (Top Site label, Clean Worksite Charter and Colas checklists), make provision for responsible waste management. For example, one of the prerequisites for obtaining the Top Site label (which is awarded to Bouygues Construction's worksites) is sorting waste into at least three separate channels (inert waste, non-hazardous waste and hazardous waste), or more where required by applicable legislation. Bouygues Immobilier applies the "low-impact worksite" charter, which makes on-site waste recycling mandatory via the use of a waste management plan.

The business segments of the Bouygues group limit the production of waste arising from construction activities and promote recycling through several programmes. For example:

- The rehabilitation of the Hôtel des Postes building in Strasbourg by Bouygues Immobilier was also the prize-winner in the Grand Est Region-Ademe call for projects in 2020 ("Climaxion" programme) on account of its re-use of construction waste. One of this project's strengths is its circular economy approach, which aims to reduce waste. The entire structure, facades and roofs were kept. Existing doors were re-used either on-site or elsewhere. Existing external joinery was also recycled.
- Bouygues Construction rolls out programmes for reducing and recycling waste on construction sites, especially for civil works activities.

At Bouygues Travaux Publics, all spoil can be analysed, sorted and strictly monitored with a view to protecting the environment and public health. Waste is managed using innovative analysis and traceability solutions:

- CaRaCTerre: developed by Bouygues Travaux Publics with help from France's geological and mining research bureau (BRGM), CaRaCTerre is a rapid screening solution enabling excavated spoil to be sorted efficiently.
- Ubysol: a real-time traceability solution that tracks excavated material using sensors attached to trucks' skips. Ubysol uses the Objenious LoRaWAN™ connected objects network to connect devices with each other (see also the section on Bouygues Telecom in Chapter 1 of this document).

Bouygues Energies & Services in France uses "Prévisoft", a waste-tracking application.

The rehabilitation of the Truffaut secondary school in Lyon is an inspiring example of materials re-use. A total of 46 types of material from the existing building were identified. These can either be retained in the project design, re-used in the on-site living quarters or transferred to organisations for re-use elsewhere.

Elan, the consulting subsidiary of Bouygues Bâtiment Ile-de-France, was commissioned by the SMCNA (a public joint venture for waste treatment) to run the "Pôle Consom'acteur project", a hybrid non-profit shop for the re-use of materials, serving households in Blain, western France.

- As part of the Grand Paris major infrastructure programme, nearly 200 kilometres of tunnels will be dug, producing 45 million tonnes of spoil to be removed. To monitor environmental impact and ensure traceability, Société du Grand Paris has set up a special platform as well as a process for managing and recycling waste. This platform, called TrEx, is aimed at firms that produce waste as well as transport firms and storage-site managers. Each digital form contains about 40 fields to fill in including the quality of the spoil, the transport firm's identification number, and the origin and destination of the spoil. The platform has been available since January 2017 and is now made obligatory by Société du Grand Paris under the terms of all its civil engineering contracts.

Bouygues Construction collaborates with several circular-economy start-ups and SMEs: For example:

- "Hesus" is a networking platform connecting worksites offering spoil with those needing backfill. It can also be used to trade building materials.
- LeanCo is a start-up for helping to apply lean management to the construction industry, launched in late 2019 by Bouygues Construction.

Recycling and the circular economy are of vital importance to Colas, a major producer and user of building materials.

Colas has been ramping up its recycling techniques. Today, over 420 Colas sites (permanent and mobile recycling platforms) transform used materials – primarily reclaimed asphalt pavement – to turn them into civil works materials. Here are some figures:

- 8.5 million tonnes of materials processed, the equivalent of 9% of Colas' total production from its quarries and gravel pits, enabling it to dispense with 34 medium-sized quarries;
- an average 16% of Colas' worldwide asphalt mix production is from recycled pavement;
- over 320,000 tonnes of bitumen reclaimed annually, equating to the annual bitumen production of a medium-sized refinery, and
- 8.3 million m² of pavement recycled.

(a) Preventing food waste/the fight against food insecurity, the protection of animal well-being/responsible, fair and equitable nutrition. Given the type of activities operated by the Bouygues group, these themes are not meaningful for its five business segments. Food waste is only an issue for institutional catering. However, it is mentioned specifically in some contracts with the catering providers servicing the Group's main head offices.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Volume of recycled materials millions of tonnes	Global	Asphalt mix and aggregate production activities, and railway worksites	8	8	Recycling is increasingly encouraged across all Colas operating regions. As a result, there was a rise in the volume of materials recycled, or received and processed, on its sites. The increase in the volume of recycled materials was sizeable in Canada (up 76%). A significant increase was also seen in France, and particularly in the Paris region, where the formation of Tersen (offering soil decontamination, collection, sorting, recycling, recovery, storage and re-use) contributed to the sharp increase in the volume of recycled materials (+24 points).
Percentage of asphalt pavement recycled in order to reclaim bitumen	Global	Materials production activities	16%	16%	All operating regions reported a constant percentage for recycled asphalt pavement. Although asphalt mix production continued increasing (up 5% relative to 2020), the incorporation of recycled asphalt pavement was up 7%. Nonetheless, analysis of the hindrances to increasing this rate (related to contract terms or access to resources) indicated that the proportion of recycled asphalt pavement used could be higher.
Surface area of road pavement recycled in-place (million m ²)	Global	Worksites activities	8.2	9.8	The total surface area of pavement recycled in-place decreased in all operating regions (except in the US, where a sharp increase was recorded, particularly at the Sully Miller subsidiary). In Canada, which represents 70% of the total area of pavement recycled in-place by Colas, the surface area decreased by 13% at the main contributing subsidiaries (Miller and Sintra). This was due to business conditions and the activities of related subsidiaries. It is not possible to rule out the impact of the new definition of "Surface area of road pavement recycled in-place", a key indicator in Colas' low-carbon roadmap concerning which a distinction between emulsion and/or hydraulic binder processes had to be drawn.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Proportion of non-hazardous waste that is recycled (not disposed of in landfill)	Global	96% of Bouygues Construction's consolidated sales	66%	52%	<p>Bouygues Construction is committed to recycling and ensures that traceability solutions are used. This encourages employees to take responsibility for the conditions in which non-hazardous waste is collected, transported and recycled.</p> <p>In 2021, the total volume of waste collected rose for two main reasons. The type of Bouygues Travaux Publics' ongoing projects during the reporting period drove an increase in inert waste, a high proportion of which can be recycled. It produced one-third of Bouygues Construction's total waste output in 2021 and recycled 81%. The waste produced by Bouygues Energies & Services projects was included in the reporting scope thanks to implementation of a waste tracking system. Bouygues Bâtiment France Europe continued implementing its zero-waste worksite policy, increasing the number of skips available on site as a means of encouraging source separation.</p>
Percentage of recycled non-hazardous waste – Materials^a	France	40% of Bouygues Construction's consolidated sales	71%	80%	<p>This indicator is based on the same methodology but offers a snapshot of the Bouygues Construction's French operations. This allows for a more granular measurement of the variable, in line with the target of re-using 70% of construction waste set by France's Energy Transition for Green Growth law. The decrease in the score is due to the geographical locations of the various Bouygues Bâtiment France Europe projects. Whenever a project is started, there is a requirement for new service providers, whose recycling rates vary. Bouygues Bâtiment France Europe has initiated a process to improve the reliability of its service providers' waste records.</p>
Percentage of spoil recycled	Global Civil works activity	22% of Bouygues Construction's consolidated sales	73%	83%	<p>Spoil represents most of the waste produced by Bouygues Travaux Publics through excavation, tunnelling and earthworks. It generated over 90% of the total spoil resulting from Bouygues Construction's projects.</p> <p>In 2021, the volume of spoil collected was stable despite the activity spike at some projects in the previous year. Following a change in the methodology, a significant volume of deposited spoil was counted in 2021. This spoil for which re-use was pending contributed to the lower percentage for re-use.</p>

(a) Recycling of materials is defined as the re-use of waste as a substitute for other materials or substances. However, this excludes all waste-to-energy processes and reprocessing into materials for use as fuel (Source: Ademe).

Soil decontamination

The Bouygues group offers soil decontamination solutions through its subsidiaries Colas Environnement (Colas) and Brézillon Environnement (Bouygues Construction).

With 40 years' experience under its belt, Colas Environnement has experience in the full range of decontamination techniques. Its operations are also renowned for their transparency. Conventional techniques are combined with tailored innovative solutions for rehabilitating and reconverting brownfield sites and for managing environmental liabilities on behalf of industrial firms. Colas Environnement is also extremely active in R&D. For example, Colas is partnering in Promiscues, a European research programme investigating the treatment of PFAS (persistent organic compounds) known to have serious adverse effects on health.

Brézillon Environnement, Bouygues Construction's decontamination specialist, holds four patents for on-site decontamination and five certifications (ISO 14001, ISO 9001, ISO 45001, MASE, and LNE Polluted sites and soils, areas B and C). Its expertise in decontamination has opened the door to both land and water remediation. Since 2018, it has branched out into air treatment on behalf of industrial firms.

As well as offering decontamination services, Brézillon Environnement in March 2021 opened a second biocentre in Vitry-sur-Seine, near Paris. This latest site has increased capacity relative to its first platform for hauling, sorting, processing and recovering spoil, opened in Longueil-Sainte-Marie, to the north of Paris, in 2017.

Measures for preventing or re-using other types of waste

Although construction-related waste is the chief challenge due to the volumes involved and the environmental impacts, other types of waste arising in the course of the Bouygues group’s operations must also be tightly managed.

From their administrative offices, the Group’s five business segments produce waste electrical and electronic equipment (WEEE), which is collected then re-used or recycled. Processing WEEE is therefore a challenge common to the whole Group. In France, this has for many years been entrusted to ATF Gaia, a disability-friendly company, and Nodixia. Since the start of these contracts, this initiative has collected 184,372 items of equipment (of which 21,946 between October 2020 and September 2021). Since the start of the initiative, around 30% of the 1,211 tonnes of waste equipment collected has been destroyed and 70% re-used.

Whenever it has to dismantle sites, Bouygues Telecom’s first action is to analyse the on-site hardware closely and, whenever possible, assign it for re-use. For network roll-out and maintenance, Bouygues Telecom, whenever possible and appropriate, buys used network equipment. In 2020, Bouygues Telecom used over 9,600 items of reconditioned equipment and exercised its pre-emption right over some 11,000 items of equipment for in order to re-use or recycle them. Over 92% of the hardware from this dismantling has been re-used or recycled.

Bouygues Telecom promotes the circular economy through several channels. In 2021, Bouygues Telecom ran awareness campaigns about these issues as part of the “Sustainable Smartphone Solutions” programme, which promotes the repair, recovery, refurbishing or recycling of used handsets.

Bouygues Telecom indicator

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Handsets collected for recycling or re-use units	France	100% of Bouygues Telecom’s consolidated sales	256,194	228,494	The number of units collected rose despite the temporary store closures. This was due to promotional campaigns and the inclusion of BtoB volumes in the indicator.

3.3.4.2 Use resources sustainably



Energy, raw materials (such as timber and aggregates) and water are the natural resources that are vital to the Bouygues group’s construction businesses.

So that requirements can be calculated precisely and utilisation optimised, digital technology such as BIM^a and specific Lean Management^b procedures are being steadily deployed in Group entities.

Renovation

The millions of poorly-insulated buildings are a target market for the Group. Its business segments have developed solutions and recognised expertise in energy renovation for residential property, offices and public amenities. These offers improve the business models of property renovation and save on natural resources, while respecting the architectural heritage of buildings.

For example, Bouygues Bâtiment Ile-de-France Rénovation Privée and Ouvrages Publics handed over La Poste du Louvre in late January 2021, after four years’ extensive restructuring work on this building, made from iron and stone and dating from 1886. It is now a mixed-use complex comprising postal operations, a hotel, retail space, offices and housing units.

Rehabilitation

Bouygues Construction and Bouygues Immobilier have also perfected rehabilitation methods.

Bouygues Construction offers a service for rehabilitating maintained-occupancy or empty accommodation. It has three main aims:

- to help build harmonious communities;
- to enhance the value of property, and;
- to boost the appeal of rural communities.

In 2021, 30% of Bouygues Construction’s projects were rehabilitations. These included:

- The maintained-occupancy rehabilitation of the Parc du Robec neighbourhood (14 buildings dating from the 1960s) in Rouen, which aims to improve living standards and save energy while at the same time promoting local recruitment. Accordingly, the work is being carried out by the company’s multi-skilled site workers from Normandy, who are trained in two or three trades and are used to working on maintained-occupancy sites. Local companies receive priority when work is subcontracted.
- In 2019, in Strasbourg, Bouygues Immobilier started rehabilitating the L’Hôtel des Postes building in order to transform it into a mixed-use development comprising housing units, offices, a café/restaurant and an underground parking garage. This project received the urban diversity award as part of the 2021 “Pyramides d’Or”, organised by the French Federation of Property Developers (FPI), and won three Pyramide d’Argent prizes for urban diversity and responsible operations management together with the “Grand Prix” régional award.

(a) Digital model of a building structure that allows geometric and technical data to be shared and updated during the design, construction and operational phases, and even in connection with demolition.

(b) Methods for optimising the construction process.

Select and managing raw materials

To draw less on natural resources, those business segments concerned have pinpointed two major avenues:

- the first is optimising resource utilisation (through eco-design and recycling); and
- the second is giving priority to sustainably sourced resources (e.g. certified products).

Additionally, the Group dialogues with customers to ensure that secondary raw materials, i.e. those derived from recycling or re-use, are used as much as possible in buildings and infrastructure.

When new materials have to be obtained, the Group works to make sure its supply chains are reliable and responsible.

Bouygues Construction is trialling alternative construction methods and has boosted its expertise in the use of timber – the material with the smallest carbon footprint – in its projects.

For example, Dalkia's future regional headquarters is to be built entirely from timber, which will reduce the structure's carbon footprint and avoid 540 tonnes of carbon emissions. It is due to open in June 2023.

Bouygues Construction is consequently buying more and more timber products for its construction sites. A partnership agreement with WWF France, which was renewed in 2021, aims to ensure that timber purchases do not threaten the world's forests, the individuals who depend on them or the biodiversity they shelter. Bouygues Bâtiment France Europe has pledged to use 30% French-source timber. It has signed an agreement supporting the timber sector in France with the national timber federation (Fédération Nationale du Bois – FNB) and the Bois de France certification body. It has also signed a master agreement with Piveteaubois, which will provide cross-laminated timber (CLT) panels carrying the Bois de France label.

Karibati, a consultancy, continues to help teams at Bouygues Immobilier to integrate bio-based materials such as organic concrete, insulating panels and timber into their development projects. Since the partnership began, at least 30 projects have received support for the use of bio-based materials or to gain the Biosourcé label.

Promote eco-friendly alternatives to optimise use of raw materials

Bouygues Construction and Colas offer eco-friendly alternatives to customers for lessening the impact on the environment. Eco-friendly alternatives save on materials and have better energy efficiency and lower greenhouse gas emissions than basic solutions.

A new type of cement with a 70-80% smaller carbon footprint is currently being tested in conjunction with Hoffmann Green Cement Technologies (see section 3.3.2.4). Considered an important avenue for differentiation in international operations, eco-friendly alternatives are used by Bouygues Bâtiment International in its projects.

Since 2010, Colas has been using Seve®, eco-comparison software produced by the construction industry in France. The number of environmentally friendly alternatives on offer reflects the current state of the market and the difficulty of offering such alternatives. In 2021, the proportion of greenhouse gas emissions avoided almost tripled, in line with the number of eco-friendly alternatives selected. Within the profession, Colas is involved in efforts to reinvigorate eco-friendly alternatives, especially as Seve® (the system used in France) is attracting interest across Europe. An English-language version is being introduced at Colas UK to promote environmental alternatives among its customers.

To include carbon emissions levels as a decision-support indicator in its projects, Bouygues Immobilier has introduced a tool for calculating the greenhouse gas emissions of property development projects. This helps front-line teams to pre-assess the carbon footprint of their projects, starting from the design phase. In addition, three handbooks were produced in 2021 to support front-line staff in transitioning to low-carbon materials: *Tout ce qu'il faut savoir sur la RE2020*, *Bonnes pratiques en construction bois* and *Leviers bas carbone* ("The RE2020 environmental rules in detail", "Best practice in timber construction" and "low-carbon alternatives").

Eco-design

To reduce the need for raw materials, which draw on the ecosystem, the Bouygues group's business segments are conducting research and using a variety of techniques for the eco-design of products.

With regard to its low-carbon strategy, the major R&D avenues explored by Colas are the circular economy, eco-design, and products and solutions that reduce the carbon footprint of operations. The main areas of research are:

- reducing the carbon footprint of products and solutions;
- developing a specific range of low-carbon products;
- creating solutions for re-using materials, expanding recycling and drawing on the circular economy, and
- implementing eco-design principles in project management.

Given the increasingly rapid obsolescence of office buildings, and based on the growing need for housing throughout the country, Linkcity is investigating the idea of resilient urban environments and the concept of building reversibility. To keep up with rapid changes in urban environments, Bouygues Construction has developed "Office Switch Home", a concept for easily repurposing office space as accommodation.

Bouygues Bâtiment Ile-de-France - Habitat Social renovated 4,400 m² of office space in the 15th arrondissement of Paris and made it into a 139-room student residence. Its facades are made from prefabricated wooden panels, with bio-based straw insulation sourced from the countryside around Paris. Compressed straw bales were used to fill the wooden caissons, representing a pioneering, environmentally friendly method that thus far had only been used on single-family houses.

Bouygues Telecom home gateways include sustainable development specifications for facilitating end-of-life recycling. Home gateways entering the after-sales service channel have been refurbished in France since 2012, in partnership with Cordon Electronics. These products are only recycled if they cannot be refurbished and re-used. Recycling services are provided by RSB, a circular economy firm operating in France.

The redesign of the "Bbox 4K" TV decoder in 2021 (the "Brooklyn" version) complied with CSR commitments such as reducing the carbon footprint (TUV PCF certification) and electricity consumption and increasing the use of recycled plastic.

Water consumption in accordance with local conditions

The issue of water consumption varies in importance from one part of the world to another, depending on whether operations are situated in arid or temperate regions. Generally speaking, business segments within the Bouygues group are responsible for taking local water constraints into consideration. How water is managed is one of the criteria of the ISO 14001 standard and is contained in internal standards (TopSite and checklists).



Because of its water consumption in drought-prone areas, Bouygues Construction is implementing specific measures to safeguard water resources through the use of special equipment, water re-use, consumption tracking and awareness-raising among employees and business partners. For example, following the completion of the third data centre (MRS3) in Marseille, Bouygues Energies & Services and Bouygues Bâtiment are building a fourth centre (MRS4), with handover scheduled for the second quarter of 2022. As always, a cooling system will be fitted. This one will pump local water by diverting groundwater from a former late-19th century industrial facility (*La Galerie de la Mer*).

Colas has introduced new indicators to measure and limit the stress placed on water resources by its operations in regions where water is extremely

scarce. In order to limit the pressure exerted by Colas on water resources in dry regions, action plans aim to increase water self-sufficiency, encourage recycling and reduce waste.

The methodology used to assess the Colas zones concerned is based on the interactive Overall Water Risk – Baseline Water Stress map, published on the website of the World Resources Institute. The water consumption of Colas’ permanent facilities in these areas in 2021 is estimated to be under 868,000 m³.

Colas has put in place a surface water and groundwater indicator to guard against the impact of accidental or everyday pollution at its permanent production and maintenance sites. This policy follows strict guidelines, built upon Colas checklists, to ensure that these sites are or can be completely isolated from the surrounding environment.

Additionally, Bouygues Construction and Bouygues Immobilier actively promote environmental building certifications (NF HQE™ Bâtiments tertiaires - new or renovated office space, HQE™ and NF Habitat HQE™), which have a section on responsible water management in a building’s operational phase – covering drinking water management, rainwater recovery as well as wastewater and rainwater management.

Colas indicators

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Share of permanent activities located in extremely water-stressed areas as a % of sales before inter-company eliminations	Global	100% of the sales before inter-company eliminations of the permanent activities	7%	6%	According to “Aqueduct”, a platform used to grade water-stressed areas, there were many changes in terms of Colas operations in extremely water-stressed areas. Because of the increasingly frequent fluctuations from year to year, a process for recording historical data is due to be implemented within Colas’ Environment department to improve the monitoring of grading for water-stressed areas. The goal is that the locations concerned will quickly implement remedial action.
Share of sales before inter-company eliminations in extremely water-stressed areas where an action plan has been implemented	Global	100% of the sales before inter-company eliminations of the permanent activities	53%	47%	The percentage of sales before inter-company eliminations in extremely water-stressed areas where an action plan has been implemented rose by 5 points, the main reason being the change in sales before inter-company eliminations at the locations concerned, relative to the previous year.

3.3.5 Preserving biodiversity

The Bouygues group has pinpointed the potential impacts of its construction businesses on biodiversity. These include:

- the loss of greenfield sites;
- the destruction or disruption of habitats and species;
- the possible dissemination of invasive species related to certain work procedures, and
- noise and light pollution.

In 2021, the Group implemented a new governance arrangement on biodiversity and set up a Group-wide Biodiversity committee. Its job will be to hold theme-based workshops, advised by a consultancy that specialises in drawing up roadmaps on different subjects.

Colas is working at several levels to preserve biodiversity within the context of its low-carbon and biodiversity roadmap:

- quarries and gravel pits are covered by a specific Quarry Biodiversity Programme, which consists of developing and nurturing ecological niches on extraction sites by preserving noteworthy species and setting up

beehives. In 2021, 207 sites (covering 56% of the sales before inter-company eliminations of Colas aggregates production sites) launched one or more scientifically supported initiatives to promote biodiversity and raise awareness amongst employees and local residents.

- local partnerships with the France's National Forestry Office for tree planting and with the LPO^a for monitoring specific bird species such as the sand martin.
- setting up of a global patronage initiative in conjunction with Kinomé, the France's National Forestry Office and Impactum to foster an innovative tree-planting learning project, to help make children aware of the issues relating to the preservation of biodiversity.

- combating the spread of invasive exotic species, which Colas may involuntarily introduce on its production sites and worksites. To counter such damage, it has undertaken inventory and monitoring initiatives as well as specifically training employees. It also reviews the scientific literature to keep abreast of the latest techniques for dealing with these species.

- Environmental engineering: thanks to their active participation in the work of France's Environmental Engineering Federation (UGPE), Colas' extraction sites are able to create environments that encourage the development of ecological niches (rewilding and restoring waterways and wetlands, installing facilities to restore ecological corridors). Such niches serve as refuges for pioneer or threatened species.

Colas Indicator

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Share of aggregates production sites working to promote biodiversity as a % of sales before inter-company eliminations	Global	100% of the sales before inter-company eliminations of the permanent aggregates production sites	56%	44%	<p>The ratio (as a percentage of sales before inter-company eliminations) of aggregates production units working to promote biodiversity increased in the operating regions of the Colas group:</p> <ul style="list-style-type: none"> • by 11 points in Canada (especially at subsidiary N.P.A.); • by 20 points in Hungary (a survey was carried out on the nesting of highly protected bird species at quarries operated by Colas in 2021), and • by 42 points in France, driven by the centre-west region. <p>In total, 207 aggregates production activities were involved in actions to promote biodiversity (up 21% compared to 2020), with 179 sites carrying out actions to protect noteworthy species, and 52 sites hosting beehives.</p>

Keen to include biodiversity considerations in its urban planning projects, Bouygues Construction helped design BiodiverCity, the first global label recognising construction and renovation projects that take account of urban biodiversity. BiodiverCity is currently managed by IBPC, an organisation bringing together builders, developers, users and trade federations. Bouygues Construction is also helping to design new iterations of this label: BiodiverCity *Life* and BiodiverCity *Ready*. While the current label assesses the inclusion of biodiversity in projects during design and construction phases, these new benchmarks will broaden the spectrum to include existing buildings and biodiversity at the neighbourhood level. In 2021, 33% of projects led by Bouygues Construction comprised measures in favour of biodiversity, up from 31% in 2020.

Bouygues Construction and Bouygues Immobilier have already used this label with several certified structures.

Bouygues Immobilier is actively promoting the use of BiodiverCity within its own projects and is also the first developer to be introducing it at the neighbourhood level, for example in Nanterre Cœur Université, Quartier de la gare (Divonne-les-Bains) and Les Fabriques in Marseille. By the end of 2021, 20 projects were certified or were in the process of being certified. In June, Bouygues Immobilier won the 2021 "Trophée d'argent" (awarded by the International Biodiversity & Property Council) in the Project Owner category, on the strength of projects certified or awaiting certification for Design and Execution. The Passion residential development in Vannes (Brittany) was certified BiodiverCity® thanks to its "inhabited park" and green corridor (shared allotments and orchards, plus an educational farm).

(a) The French bird protection league.

(b) International Biodiversity and Property Council.

Bouygues Immobilier Indicator

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Proportion of projects carrying the BiodiverCity label or covered by a commitment to obtain it	France (excluding subsidiaries)	89% of Bouygues Immobilier's consolidated sales	20	n.a.	

n.a.: not applicable.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Number of construction projects with the BiodiverCity® label	Construction activities Global	44% of Bouygues Construction's consolidated sales	2	1	Bouygues Construction's commitment to including biodiversity issues in its projects is demonstrated by its assistance with designing the BiodiverCity label, as a founding member. It has been particularly instrumental in drafting the new reference base for neighbourhoods, BiodiverCity Ready. In 2021, the O'Mathurins neighbourhood-level project in Bagneux (near Paris), which included biodiversity issues right from the design phase, was awarded this label. IntenCité Descartes in Champs-sur-Marne (near Paris), as the second BiodiverCity-labelled project, will make a tangible contribution to speeding up energy and ecological transitions in urban environments.



Biodiversity is one of the 12 commitments of Bouygues Construction's "Responsible and committed" CSR strategy. Dedication to biodiversity is reflected by the inclusion of preservation measures (wildlife), beehives, vegetable allotments and the maintenance of ecological continuities in operational projects.

In 2021, Bouygues Construction's Energies & Services arm teamed up with the WWF to produce a biodiversity protection handbook for use when building large-scale solar farms. It is also monitoring biodiversity requests from customers within its CRM system.

In its civil works activities, teams at Bouygues Construction have been implementing a range of ambitious environmental engineering initiatives. Bouygues Travaux Publics MC installed 11 3D concrete basins on the Larvotto breakwater in 2021, having previously installed artificial reefs and conducted ecological adaptations on the caissons used in Monaco's offshore extension. These basins were seeded with *Cystoseira*, a protected Mediterranean species of algae. In 2020 and 2021, Bouygues Travaux Publics MC also cleaned up the Spélugues coral reef, removing 350 m³ of rubbish discarded by people. This effectively freed up more than 1,600 m² of covered rocky surfaces, which can now be recolonised by the numerous plant and animal species that are part of the region's natural heritage.

A biodiversity and wildlife roadmap was created for Bouygues Construction's property development subsidiary in Europe (LinkCity) and its building activities in 2021, which will enhance the quality of outdoor spaces by fostering knowledge, reversing land take, developing nature-driven solutions and offering ecosystem services for urban heat islands. By doing so, it is keeping pace with the requirements of the European Taxonomy. Bouygues Bâtiment France Europe has implemented the "Build differently" programme, which uses biodiversity to bring about a paradigm shift in that it integrates wildlife into projects.

In 2021, Bouygues Construction's biodiversity efforts in property developments were crowned by a "Trophée d'or" (awarded by the International Biodiversity & Property Council) in the Project Owner category and the jury's special prize for Biotope, a project that has been handed over to the Lille metropolitan authority (MEL).

Bouygues Construction has a long-term commitment to major non-profit organisations including the WWF (sustainable timber) and the LPO in Club U2B (a space for getting feedback on urban planning, construction and biodiversity). It is a founding member of the International Biodiversity and Property Council (IBPC), for which its subsidiary Elan coordinates the technical working group.

Within the Grand Paris major infrastructure programme, Bouygues Travaux Publics has to deal with invasive plant species: preventing them from spreading as a result of the construction work and eliminating affected areas wherever possible. Environmental scientists are called in to draw up inventories of invasive species and determine their precise location.

In late 2020, Bouygues Travaux Publics was handed the completion certificate for the offshore extension project in Monaco. Right from the design phase, this project had ambitious objectives as regards sustainable development and protecting the environment. Construction of the marine infrastructure was closely monitored by both Monaco's government and Bouygues Travaux Publics. Goals were established to maintain water quality, protect marine resources and reduce disturbances in a broad sense. This involved an environmental impact study, plans to control turbidity by setting up protective screens, relocating marine species to protected areas and erecting a noise protection wall.

A biodiversity and wildlife roadmap was created for Bouygues Construction's property development subsidiary in Europe (LinkCity) and its building activities in 2021, which will enhance the quality of outdoor spaces and keep pace with the requirements of the European taxonomy. Bouygues

Bâtiment International wrote and distributed a biodiversity handbook comprising 17 factsheets, 7 of which must be followed in the context of TopSite, to all its entities worldwide.

Bouygues Immobilier steps up its commitment to biodiversity

For many years Bouygues Immobilier has been committed to protecting biodiversity and integrating wildlife into its urban development projects. In 2020, Bouygues Immobilier joined the board of the IBPC. It is also strengthening its commitment to limiting urbanisation, to increasing soil permeability and developing outdoor spaces that host biodiversity and allow people to experience nature in all its developments within the next three years. The first flagship initiative was the design of a biodiversity calculator that can be used to grade almost all developments in progress. Specifically, this is used to encourage project design teams to increase the amount of surface area conducive to biodiversity. If a project contains more nature post-development than it did in its initial state, it is rated "biodiversity-positive". The target is for 25% of developments to be "biodiversity-positive" by 2025.

Bouygues Immobilier also teamed up with Omnes Capital to create the Geophoros fund, whose mission is to facilitate residential property developments in low housing supply areas by building on brownfield sites. To qualify for funding, developments must be low-carbon and promote urban wildlife.

Bouygues Immobilier was also a partner at the World Conservation Congress of the International Union for the Conservation of Nature (IUCN), which was held in September 2021 in Marseille. This is held every four years and is the largest biodiversity event in the world.

Bouygues Construction, Bouygues Immobilier and TF1 submitted new or revised biodiversity action plans with Act4Nature and Act4Nature International, an initiative launched by the French Ministry for the Environmental and Inclusive Transition in conjunction with the French Biodiversity Authority or the French Business Federation for the Environment (for international projects). Act4Nature brings together companies that have pledged to incorporate biodiversity issues into their business strategies.

TF1 – through its TV theme channel Ushuaia – and Bouygues Immobilier were also partners at the World Conservation Congress in 2021 that took place in Marseille (see text box).

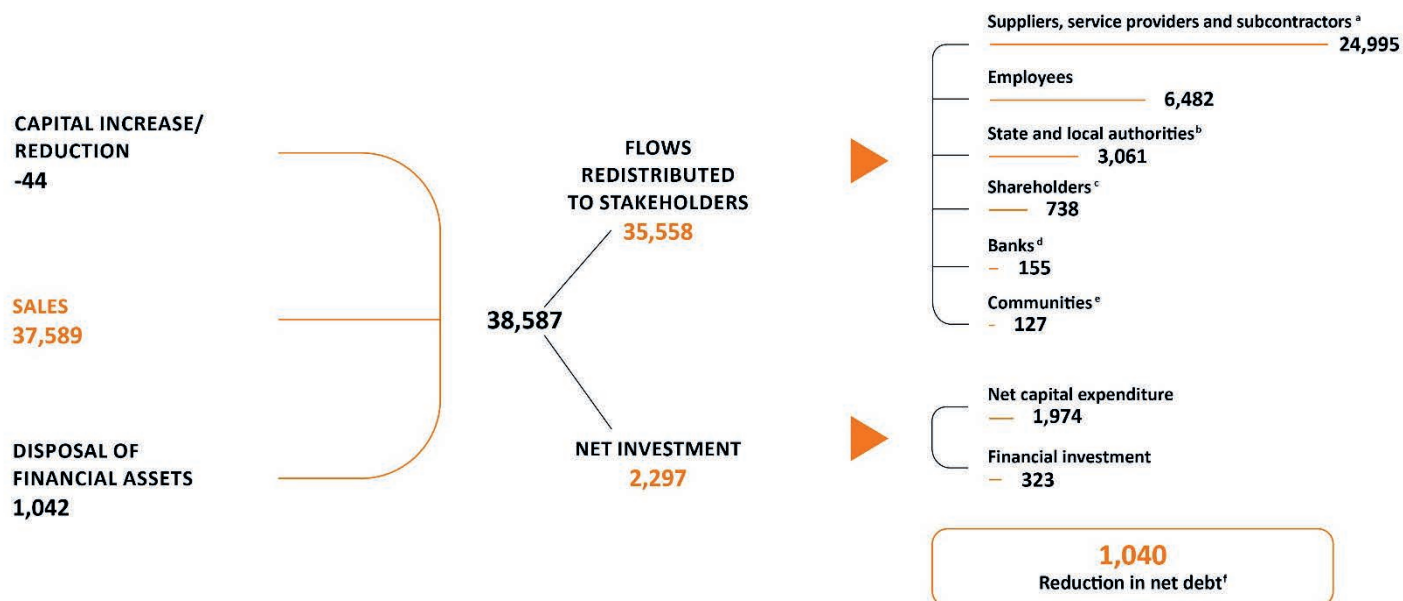
3.4 SOCIAL INFORMATION

Further information can be found by visiting bouygues.com or consulting the CSR documentation of the individual business segments available on their respective websites.

Financial flows generated by the Bouygues group in 2021

€ million

The redistribution of the financial flows generated by the Bouygues group has a positive impact on regional economic development and appeal.



(a) Purchases and other external expenditure.

(b) Income tax, social security contributions and other taxes.

(c) 2020 dividends paid in 2021, of which €90 million paid to employees.

(d) Cost of debt and other charges.

(e) Donations, patronage and sponsorship.

(f) Determined as follows: the sum of the net change in financial flows shown above (€735m) and of changes in the working capital requirement (WCR) and currency effects (€305m).

3.4.1 Responsible practices

3.4.1.1 Ethics and initiatives in place to guard against corruption

For many years, the Bouygues group has taken care to promote ethical conduct as a fundamental value in the course of its activity.

With this in mind, in 2006 it published a Code of Ethics which acts as a point of reference for all its employees. This Code therefore calls on all senior executives and employees to comply with a set of “principles” which they must abide by under all circumstances and in all the countries where the Group operates. To this end, the Code has been disseminated widely within the Group and is published on its corporate website. The Group also ensures the effectiveness of its code by updating it regularly.

Code of conduct

The Group Anti-Corruption compliance programme, adopted in 2014, was updated in 2017 to factor in the provisions of the Sapin 2 law relating to the prevention of corruption. It corresponds to the code of conduct covered by article 17, paragraph II, point 1, of the law. It is prefaced by Martin Bouygues, Chairman of the Bouygues group. It states the Bouygues group’s zero-tolerance stance on corruption and its position as to the duty of understanding and care that everyone must exercise, along with the resulting responsibilities – especially for senior executives. The Group Ethics Officer within each business segment appoints an officer responsible for implementing the Group Anti-Corruption compliance programme.

The Anti-Corruption compliance programme specifies the measures in respect of information, training, prevention, control and penalties that are to be implemented within each business segment. It devotes specific sections to Group rules and recommendations applicable to various practices that are prone to a risk of corruption, namely gifts and invitations, the financing of political parties, patronage, sponsorship, use of business intermediaries and lobbying. In early 2020, the Group also published a “gifts and hospitality” policy, setting out guidance on when and how employees are permitted to offer or accept gifts and hospitality in the course of their professional duties. The roll-out of this policy is supported by a tool which ensures that all gifts and hospitality, both received and offered, are traceable and monitored.

Prevention

The Group’s Anti-Corruption compliance programme specifies that all senior executives who have operational responsibility for a Group entity (subsidiary, branch, division, etc.) must implement appropriate corruption prevention and detection measures. They must also ensure that these measures are effectively applied, with the assistance of the business segment’s Ethics officer. This compliance programme includes the following prevention measures in particular:

- Legal departments must ensure that information is properly disseminated and implement training that deals appropriately with the risk of corruption in the entity concerned.
- The Group has strict financial and accounting procedures in place, designed and implemented by its entities and aimed at mitigating the Group’s exposure to risk, particularly by preventing the use of payment systems for fraudulent or corrupt purposes.
- Delegations of authority to persons with responsibility for an entity, department or project, or to an individual who exercises a role within a

sales or purchasing department, must clearly set out to those granted authorities their obligations to comply with anti-corruption laws.

- Each business segment draws up a risk map to identify, analyse and rank the risks of its entities’ exposure to external solicitations of corruption. This map should factor in the business sectors and geographical areas in which the entities operate.
- Each business segment must implement procedures to assess its customers, suppliers, service providers, intermediaries and, more generally, its business partners based on the corruption risk map. The business segment Ethics officer, in liaison with the relevant line managers, must ensure that all of the business segment’s entities are able to run an assessment process before entering into a business relationship with a partner, as well as during the business relationship, and
- Each business segment must carry out an audit of the business segment’s compliance with applicable legislation and the Anti-corruption compliance programme:
 - at the inception or end of all major projects;
 - when launching a new business activity, or
 - when starting up in a new country, particularly if that country has a poor record on corruption.

Training

Since the early 2000s, the Bouygues group has promoted key values such as business ethics, respect and responsibility through a range of seminars aimed at managers. The purpose of each seminar is to create space for dialogue and discussion in which each participant not only learns more about the Group’s positions but also must take a personal stance and clarify their own beliefs as a way of guiding their behaviour and management style.

In late 2018, a new seminar on business ethics, with a focus on corruption and collusive practices, was held for corporate officers and other employees with the highest exposure to risks of corruption and influence peddling. Six training sessions took place in 2021 despite the pandemic, enabling 78 additional employees to be trained. A total of 453 employees have been trained in this way since the seminar was launched.

Each business segment must also design and implement training adapted to the corruption risks specific to their operations and the regions in which they are active.

(a) bouygues.com

Bouygues Construction

Bouygues Construction has set up a corporate university called Bouygues Construction University, which designs, develops and dispenses cross-disciplinary training courses to the entire company.

A range of training modules on ethics and compliance or, more specifically, corruption, are ordered and/or developed and/or led by the legal and compliance department of Bouygues Construction or by the legal departments of its entities.



Following on from initiatives undertaken since 2011, the special ethics and compliance training plan has been implemented within each Bouygues Construction entity through training modules targeting specific categories of employees.

The e-learning module “Fair Deal”, which was launched in December 2015, has been updated to include specific content for employees and managers. It is available in France and abroad to all employees with access to BYLE@rn, Bouygues Construction’s digital training platform: i.e. almost 24,400 individuals. This new version, which was launched in 2022, will be accessible at all times.

In addition to this initial programme, modules about the anti-corruption policy are included in the training programmes that deal with ethics and compliance more generally. In particular, Bouygues Construction has included these modules in the following classroom-based training courses:

- “Marco Polo” and “Ulysse”, which are aimed respectively at managers promoted to executive roles and those with high development potential. The “Marco Polo” course is delivered approximately twice a year and “Ulysse” five times a year (in either French and English).
- “Mercure 1”, which is designed for senior sales and marketing employees, is delivered once or twice a year;
- The Legal/Purchasing training course, which is aimed at employees in the purchasing department and is held two or three times a year.
- “Day One”, for employees likely to be posted or seconded abroad, is delivered once a month.
- Training courses delivered locally by the legal departments or local legal desks of Bouygues Construction entities.

Bouygues Immobilier

Bouygues Immobilier has taken steps to ensure that an ethical business culture is promoted throughout the company.

First of all, line managers explain Bouygues Immobilier’s rules of ethical conduct, and the need to comply with them, to every new employee before the end of their trial period. Furthermore, new employees are required to complete two online training modules on ethics. These modules, which are compulsory for all employees of Bouygues Immobilier, are accessed from BI Learn, the online training platform. Reminders are sent to employees who have not completed the two on-line training modules on ethics.

New recruits participate in induction seminars known as “BI Quest”, either locally or remotely. These provide an opportunity to remind all new employees of the importance of ethics in business. A member of the General Management Committee attends these seminars to remind participants of the company’s commitment to ethical business conduct.

Alongside these initiatives, the Group Management Committee has set up and approved a multi-annual training plan covering the Sapin 2 law, the anti-corruption arrangements implemented at Bouygues Immobilier, and criminal law. These training courses, most of which are held in person, were first rolled out in 2021 for 152 managers and staff members exposed to

these issues. Eight widely distributed videos which are permanently available on the corporate intranet have been used to make the entire workforce aware of the main points of the Sapin 2 law and of how to act if a case of corruption arises.

Furthermore, in 2021 the management committees of all operating and support units attended a presentation on the culture of ethics and measures in place at Bouygues Immobilier.

Lastly, modules specific to Bouygues Immobilier’s areas of activity have been developed. These include classroom-based sessions on property development projects involving public authorities. The objective is to raise employee awareness of the ways in which such activities may lead to breaches of probity.

Colas

The “Applied ethics and compliance” module, which was updated in 2021 both in France and internationally, was sent to the legal affairs managers responsible for overseeing this training at local level. The aim of this module is to familiarise all employees with the core principles of “Compliance” documentation and provide an overview of related procedures. A total of 4,377 employees received the training in 2021.

In addition, “Fair Play” – available in nine different languages – continued to be rolled out in 2021. This takes the form of an e-learning module and is available to employees with a professional email address. It is specifically designed to explore issues relating to ethical best practice. In 2021, 2,397 employees completed this induction training. A total of 6,501 employees have been trained using this module since 2017. Then there are the initiatives run by the various Colas entities: for example, “legal roadshows”, led by the Chairman and Legal director of Colas France and attended by 582 managers, examined the theme of ethics. At Colas Rail, 879 managers took an interactive on-line quiz about compliance programmes and the applicable procedures.

TF1

An on-line training programme rolled out in summer 2020 has been completed by 1,708 employees so far and will continue to be offered to anyone who has not yet been able to do it, as well as to new recruits.

In parallel, training sessions with specialist compliance lawyers were organised for those employees who are considered to be most exposed to the risks of corruption and influence peddling. By the end of 2021, 92% of the members of the management committee had attended these training sessions or the above-mentioned business ethics seminar, delivered by Bouygues. This training will continue in 2022 for members of the management committee, in-house lawyers, negotiators, buyers, advertising/media sales staff, and other groups exposed to corruption risks.

Lastly, a video featuring the ethics officer was disseminated on the TF1 intranet site *VousFaites* in order to raise employee awareness of the fight against corruption. In particular, it reminds employees of the importance of abiding by the Code of Ethics and compliance programmes, and of the existence of the whistleblowing platform.

Bouygues Telecom

In 2021, Bouygues Telecom updated its business ethics guide to include the recently acquired subsidiaries and the latest developments regarding gifts & hospitality and patronage/sponsorship. policy. The online training courses launched in 2018, thus increasing the number of employees trained and made aware of ethical matters. A total of 5,434 employees out of 8,000 took the "Anti-Corruption" module. The online modules were run again for the employees who had not taken and/or completed them. The reminder system was revised to enable wider dissemination and involve managers in monitoring the completion of these training courses by employees.

Additionally, six training sessions on the fight against corruption were delivered in the form of virtual classes to employees whose work makes them particularly exposed to risks of corruption. In 2021, 632 employees were selected at Bouygues Telecom and its subsidiaries to attend these sessions, which were delivered by specialist lawyers and organised in an interactive format that included case studies adapted to the field of telecommunications.

The ethics officer and the legal and compliance department also provided assistance to senior management, the various departments of the company and its subsidiaries. This assistance paid particular attention to:

- updating Bouygues Telecom's business ethics guide;
- the Group's "gifts and hospitality" policy;
- the procedure for dealing with patronage and sponsorship activities, and
- boosting the visibility of the Group's whistleblowing platform.

The ethics officer also communicates information about these topics more widely on the corporate intranet.

Finally, at the end of the year, courses on ethics and preventing the risk of corruption were run at the entities recently acquired by Bouygues Telecom (all the managers at 1913^a and Keyyo^b).

The corporate whistleblowing facility

The Bouygues group has created an on-line whistleblowing platform.

The platform, which is accessible to all business segments, is on a website (<https://alertegroupe.bouygues.com/>) so that all employees (internal, external and occasional) can report a problem on-line, using a password and login. Whistleblowers may choose to report their concerns to the ethics officer of the business segment, or, if it appears that the breach is wider in scope, to the Group Ethics Officer. These officers are subject to a heightened duty of confidentiality.

In addition, the Group has used numerous methods of communication and awareness-raising to ensure that knowledge of this facility is widely disseminated (publications on its various social media, specific articles in the Group's internal magazine, inclusion in the various internal training initiatives, a special page on the Group intranet, etc.). The procedure for the receipt and processing of whistleblowing alerts is also published on the Group's corporate website as an appendix to the Code of Ethics.

Bouygues Construction

Bouygues Construction uses the whistleblowing system described in the Bouygues group's Code of Ethics. Details are also provided in the practical guide available on the intranet and issued to employees of Bouygues Construction during their induction.

Bouygues Construction also complies with the requirements in force in the countries where it operates, and may therefore need to introduce local measures.

Bouygues Immobilier

A permanent notice about the corporate whistleblowing system may be found on the Bouygues Immobilier intranet. A permanent banner appears on the intranet home page. A reminder of how the whistleblowing system works is also included in the two on-line training modules on ethics and in classroom-based training courses. In addition, the whistleblowing mechanism is described in the practical guide issued to employees of Bouygues Construction during training courses or on the intranet.

Colas

A booklet containing Colas' compliance procedures was issued in April 2019, bringing together all internal processes introduced in application of the Code of Ethics, compliance programmes and the general principles of internal control. In September 2020, an updated version of this booklet was distributed to all the companies in which Colas directly or indirectly owns a stake of at least 50%. Among the points covered, one section of the document deals with procedures and rules for gathering and responding to whistleblowing alerts, as well as how to handle alerts relating to business ethics.

A dedicated intranet site about compliance was created at the same time. Known as "ColasShare", it serves as a repository of all information on the subject (documentation about ethics, training materials, whistleblowing procedure, etc.).

In April 2021, the legal department and the human resources department joined forces to disclose on the scope of the whistleblowing system.

In November 2021 a communication campaign was launched (workplace notices, information on employees' screen savers).

TF1

TF1 uses the whistleblowing system described in the Bouygues group's Code of Ethics. Employees can access the Group's whistleblowing platform from the Ethics sections of TF1's intranet sites. Alerts can thus be raised directly on the Group platform.

The arrangements for logging whistleblowing alerts were presented to employee representatives of TF1 and at sessions to raise awareness of the Sapin 2 law and business ethics. A specific message on this subject was also made to TF1 group employees via the corporate intranet.

Awareness of the whistleblowing platform has been raised in various ways through training sessions. The previously mentioned video made by the ethics officer, which is flagged up in the "Commitments - Ethics" section of TF1's corporate website, also encourages external employees to refer to it if they witness behaviour contrary to the principles laid down in the Group's Code of Ethics.

Furthermore, a factsheet about whistleblowing is also being sent to employees in 2022.

(a) 1913, a subsidiary of Bouygues Telecom, focuses mainly on offering fixed, mobile and internet solutions to SMEs and intermediate-sized enterprises.

(b) Keyyo, a subsidiary of Bouygues Telecom, operates telephone and internet services for SMEs.

Bouygues Telecom

The campaigns to raise awareness of the Anti-Corruption compliance programme and, more particularly, the corporate whistleblowing platform were continued during 2021. Videos made for this purpose were regularly disseminated on internal media, particularly by means of dynamic visual displays on all the screens at the company's various sites and on its corporate intranet. Furthermore, the visibility of the whistleblowing platform has been optimised to make it easier to access (increased number of key words to facilitate access to the platform).

Risk mapping

Pursuant to article 17.II.3, I of the Sapin 2 law, Bouygues ensures that each business segment maps its risks of exposure to corruption.

This risk map calls for a thorough knowledge of the internal processes of the Group's business segments. Each business segment has therefore drawn up its own map in conjunction with its operating entities in order to cover the specific features of each sector of activity. Furthermore, following publication of the latest recommendations of the French government's anti-corruption agency (AFA), Bouygues SA and the business segments undertook to update or extend the mapping exercise to the recently acquired subsidiaries.

This method, which is still being implemented, enables the Bouygues group to obtain an overview of current corruption risks and strengthen its prevention measures.

Bouygues Construction

In 2021, Bouygues Construction updated its risk mapping. This resulted in the creation of over 90 risk maps across the countries where it operates (around 60) and the entities of Bouygues Construction, covering its entire operations.

Several hundred employees of Bouygues Construction collaborated on these risk maps, which were approved and signed by the operations managers of the entities concerned.

Bouygues Immobilier

Bouygues Immobilier updated its mapping of the risks of corruption and influence peddling in 2021.

A representative panel of employees and managers participated in this exercise. The methodology used for updating the maps, the mapping itself and the resulting action plans for 2022 were approved by its executive body.

Colas

Colas required its subsidiaries to map the risks by business segment and by country, thus producing a total of 68 risk maps.

In April 2021, a working group reviewed the risk scenarios. Since September 2021, the Colas entities have been reviewing their risk maps.

TF1

In 2021, TF1 started updating its risk maps. It extended the exercise to its subsidiaries Muzeek One, Unify and Newen.

Each subsidiary now has its own risk map and action plan. These plans were presented to the multidisciplinary committee and top managers of each subsidiary. A summary report will shortly be presented to the Chairman and CEO of TF1 for approval.

Bouygues Telecom

In 2021, Bouygues Telecom updated its risk maps by conducting a new series of interviews with the managers of Bouygues Telecom and the subsidiaries.

This exercise rounded off the training programme that has already been completed by a large number of risk-exposed employees. It also allowed specific rules and procedures to be implemented in specific areas, such as in relation to gifts and hospitality in particular.

Assessment of third parties

Owing to the diversity of its activities and its international presence, the Bouygues group calls on the services of a very large number of third parties.

The business segments take great care when selecting their partners, service providers, suppliers and other counterparties. Their objective is to ensure that the quality of the people and the nature of the services comply with the applicable legislation (sanctions, embargoes, money laundering, corruption) and with the Group's rules of ethical conduct and compliance programmes.

To this end, the business segments have set up processes for assessing the integrity of third parties whenever a business relationship is under consideration.

Tools were therefore introduced throughout the Group to enable all the business segments to assess counterparties presenting a risk. Each business segment adapts the tools supplied and/or supplements them with additional measures so as to take account of the specific features of its activity. They have also brought in questionnaires on the anti-corruption rules, including questionnaires aimed at the higher-risk categories of third parties (such as intermediaries or third parties connected with merger and acquisition transactions).

Finally, various digital databases and external service providers are used to assist with internal processes, depending on the characteristics of the relationship or transaction under consideration.

Once the assessments have been completed, the entity concerned may decide to enter into a relationship with a counterparty, continue with a current relationship or alternatively terminate it.

Bouygues Construction

Bouygues Construction has developed several methods for assessing third parties, all of which are currently in use: (i) ad hoc in-house surveys; (ii) measures for verifying and approving all new suppliers in 32 countries listed as a risk, using a questionnaire called "Scrutiny"; (iii) a risk map of suppliers exhibiting a risk of corruption, using a system of internal questionnaires ("Probity Check"); and (iv) identification of the group's 300 main suppliers by Bouygues Construction Purchasing so that compliance checks can be conducted.

Bouygues Immobilier

Bouygues Immobilier assesses third parties in relation to the risky situations listed in its risk maps for corruption and influence peddling.

Procedures were systematised in 2021 to cover sponsorship and patronage activities, as well as partnerships with property developers.

Colas

Depending on the features of the relationship or transaction in question, four levels of investigation are implemented under the control of the legal and compliance departments at Colas. Colas uses special research software to conduct level 3 enquiries.

Framework agreements on carrying out level 4 enquiries were concluded with external service providers in 2020.

TF1

For the assessment of third parties, TF1 called on the expert assistance of Dow Jones and Consors Intelligence, particularly in relation to mergers and acquisitions (M&A), key agreements and commercial intermediation activities.

TF1's contractual policy was updated. At the same time, a guide to negotiating the Ethics and Compliance clause, which must be included in all its contracts, was made available to all its legal officers.

Bouygues Telecom

Bouygues Telecom has developed several methods for assessing third parties and currently uses them all: (i) assessments carried out by a specific team in the purchasing department; (ii) standard assessment of all current and prospective suppliers, and a more extensive assessment of certain strategic and/or higher-risk partners; (iii) ad hoc assessments in relation to planned acquisitions or strategic partnerships; and (iv) systematic assessment of the recipients of gifts, patronage or sponsorship.

Internal control and assessment

The Sapin 2 law requires companies to run internal assessments to evaluate the measures in place.

Combating corruption is a theme of the Group's Internal Control Reference Manual. A business segment may add specific provisions to this manual where necessary to make the compliance programme more effective.

Its effectiveness is monitored regularly by means of a self-assessment of the internal control principles implemented in the business segments and their subsidiaries. Should the self-assessment reveal deficiencies in the implementation of the compliance programme, an action plan will be drawn up and implemented promptly.

Audit departments, assisted by the ethics officers, may be periodically asked to check that the activities comply with the principles of the compliance programme and the Internal Control Reference Manual of the Group and its business segments.

External audit firms may be appointed by the Group or a business segment to detect any instances of corruption, especially when the Group or the business segment has reliable indications suggesting that there has been wrongdoing.

Disciplinary sanctions

The Sapin 2 law requires that companies implement disciplinary sanctions that will apply to its employees in the event of a breach of the company's code of conduct.

It stipulates that when a company discovers an incidence of corruption, it should verify the facts and consult the necessary internal and external advisers before taking any legal action such as filing a complaint with the legal authorities. Senior executives or employees who breach the provisions of the compliance programme or engage in bribery or corruption will be liable to punishment, which may include termination of their executive office, disciplinary action and dismissal. Senior executives and employees will be responsible for paying any fines and other financial sanctions imposed on them by a court.

3.4.1.2 Security of personal data

The protection of personal data was strengthened following enactment of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the General Data Protection Regulation, or GDPR).

Bouygues Construction

Bouygues Construction has established a set of procedures to safeguard the personal data processed in the course of its activities; this applies to all its entities. These procedures cover the IT systems that process human resources data and data relating to customers, suppliers and subcontractors.

Bouygues Construction has entrusted the governance of personal data protection to the company's IT and legal departments. This policy is managed by the Data Protection Officer (DPO) of Bouygues Construction, with the assistance of a network of DPOs and Privacy Managers spread across several entities of the business segment.

With regard to applications developed internally that contain personal data, for example, reviews are conducted to ensure compliance with regulatory principles such as privacy by design^(a) and privacy by default^(b). Requests for access rights are managed through specific electronic addresses for use by employees and external applicants.

Training courses are offered to employees who process personal data, with the aim of raising their awareness of the issues at stake and providing assistance.

In view of the large number of locations across the world, the network of DPOs/Privacy Managers also needs to be familiar with local regulations on personal data protection. Finally, Bouygues Construction worked with CNIL^(c) to obtain certification for its Binding Corporate Rules (BCR). Here, the aim is to provide a GDPR-compliant legal framework for the transfer of personal data to Bouygues Construction companies located in countries outside the European Union.

(a) Protection of personal data taken into account from the project design stage.

(b) Protection of data by default.

(c) The French Data Protection Authority.

Bouygues Immobilier

In 2021, Bouygues Immobilier stepped up its personal data protection policy by (i) introducing a mechanism to detect cyberattacks on the information systems and (ii) launching an awareness campaign for all employees by means of a new on-line training module on cybersecurity. It also continued rolling out its compliance drive by:

- boosting awareness-raising initiatives for new employees (completion of on-line GDPR training to be validated on the form issued at the end of the probationary period);
- enhancing protection of its customers' and prospects' personal data by banning the mass export of data from its CRM^a and automating the process of sending the consent form to prospects from the CRM, and
- building compliance with the regulations on personal data protection into all IT projects and outsourcing contracts.

Colas

Colas continued to implement its compliance drive in 2021, and the Data Protection Officer (DPO) coordinated a network of 37 Personal Data Officers to assist with this task.

In view of the large number of locations across the world, Colas called on the services of a consulting firm to speed up the roll-out of this compliance drive at local level.

Furthermore, since November 2021, Colas' compulsory training programme has included a module on GDPR, to ensure that all its employees are knowledgeable about the topic. This on-line training course has been translated into all the working languages used at Colas (18 in total).

TF1

TF1 appointed a data protection officer (DPO) for TF1 and Newen in May 2018. The DPO manages a network of 54 data, operational and legal officers from each of the departments or subsidiaries of TF1 and Newen. A DPO attached to the legal department of Unify was also appointed for all the entities of Unify (apart from Gammed!, which has its own DPO).

TF1 has introduced a general "GDPR" policy that all TF1 employees must uphold, comprising internal rules and guidelines on data protection for each business segment.

In order to comply with the principle of responsibility, TF1 and its subsidiaries have also developed procedures for managing the rights of individuals and breaches of personal data, as well as various sets of standards, such as the one relating to data retention periods, the Security checklist and the privacy by design^b checklist.

The internal regulations, business activity factsheets, procedures and various standards are available on the corporate intranet under a section on GDPR in order to make it easier for employees to access the compulsory documentation.

Finally, a data privacy tool has been rolled out to enable:

- a smooth compliance implementation process;
- standardisation of processing register updates; and
- the management of access requests received by TF1 departments.

(a) Customer Relationship Management system.

(b) Protection of personal data taken into account from the project design stage.

Bouygues Telecom

In 2021, Bouygues Telecom continued with the initiatives it had brought in to ensure compliance with the personal data protection regulations.

Further to the appointment of a Data Protection Officer (DPO) in 2018, a Chief Data Officer was appointed in 2019 to strengthen the company-wide governance of data protection. This person is assisted by a network of 18 employees who are responsible for data storage and data use in their own departments.

In addition, Bouygues Telecom continued to roll out consent management platforms in order to ensure the robustness of the consents collected and help customers select options. At the same time, Bouygues Telecom ensured that its websites and mobile apps comply with the rules on "Cookies and other tracking files" published by CNIL (the French Data Protection Authority).

Since 2020, Bouygues Telecom has implemented a new on-line training module on personal data, which is compulsory for all employees.

Finally, Bouygues Telecom continued to secure its IT system and strengthen its detection measures. In 2018, a cybersecurity arm was set up to ensure that security is included in projects right from the start and is as effective as possible. The unit now consists of 80 people who have been trained throughout the year on the latest security issues (by means of seminars, internal conferences, challenges, etc.).

3.4.1.3 Ethical reporting

Upholding its public commitments in the area of ethical news coverage is of central importance to TF1 as it strives to ensure that its news department acts responsibly and independently and that its programmes meet broadcasting standards, under the guidance of the Broadcasting activity and the General Counsel.

The TF1 News department is tasked with ensuring that ethical principles common to the industry are followed in its newsrooms.

In France, the main journalist trade unions have adopted an ethical charter setting out professional standards for the industry. It can be consulted on the website of Syndicat National des Journalistes (SNJ).

The ethical charter specifically for TF1 journalists was signed on 28 January 2019. It was sent to all the company's journalists on 13 February 2019. Every newly employed journalist receives a copy of the charter when they sign their employment contract.

In 2017, a committee of leading independent experts was set up to ensure compliance with the principles of honesty, independence and diversity of viewpoints in news gathering and related programmes on TF1 channels. This committee met twice in 2021, in June and September. The TF1 News department pays extremely close attention to image sources and prohibits the use of amateur video clips when their origin cannot be accurately ascertained. When amateur videos that can be cropped and edited are used, the channel inserts the message "amateur video", specifying the date on which the images were recorded, if possible.

Doctissimo has carved out a position as a digital health brand that is both pioneering and trusted. In 2020, Doctissimo enhanced its professional reputation in the eyes of its users by setting up a new medical committee chaired by Dr Gérald Kierzek. This committee, which consists of physicians and some 30 experts, covers a very wide range of disciplines and helps TF1 provide reliable, properly sourced editorial coverage of numerous diseases.

3.4.2 Product and service quality, safety and comfort

At the Bouygues group, respect for customers and users of its products and services is a core value common to all its activities. This mindset is especially prominent in the commitments that it upholds for protecting the health and safety of users, as well as the requirements that it imposes on the quality and user comfort of its products.

3.4.2.1 Protect consumer and user health and safety

Air quality within buildings

Bouygues Construction and Bouygues Immobilier have been working for several years to improve the air quality inside their buildings. They measure this and strive to improve it through the use of suitable materials and more efficient ventilation systems that can be regulated in real time using sensors.

In partnership with the RNSA^a and a start-up called Oberon, Bouygues Energies & Services installed a respiratory well-being indicator in Lyon. Three Aertape sensors set up in the Confluence district take real-time measurements of pollen levels so as to predict and give warning of allergy risks. This “Météo du souffle” (“air forecast”) initiative supplies information on the risk of exposure to pollen and fine particles in a district, for the current day and following two days.

Electromagnetic fields

In 2021 Bouygues Telecom continued to distribute the French Telecoms Federation’s information leaflet, entitled *Mon mobile et ma santé* (“My mobile phone and my health”), to all new customers and anyone changing their SIM card.

Moreover, the specific absorption rates (SAR) of the head, trunk and limbs from telecommunications equipment are now displayed by all Bouygues Telecom’s distribution channels and in its advertisements for telecommunications equipment. Bouygues Telecom closely monitors changes in French and European regulations, ensuring that each telecommunications device distributed (mobile telephone or router) complies with the European Radio Equipment Directive (RED).

Road safety

With regard to road safety, Colas is developing its R&D in several areas by:

- extending the scope of application of its Flowell dynamic road-marking solution in order to improve the visibility of road signs and increase user safety. Several pilot sites have been set up to test the solution in real-life conditions. Use showed calmer driving, greater awareness of risks, and thus enhanced safety for pedestrians;
- implementing the mobility service ANAIS^b to help infrastructure managers identify the most accident-prone areas on their networks;
- developing skid-resistant road surfaces to reduce the risk of accidents, and
- designing and manufacturing road safety equipment.

As part of its “Safer@Work” research project, Colas and Volvo Construction Equipment are partnering to create a system which detects people in the vicinity of plant. Artificial intelligence is used to identify the presence of human beings. The system incorporates various kinds of warnings (audible, visual on-screen alerts in the form of radar or video images, and haptic) both for the operator and for people nearby (audible and visual). Its aim is to counter the major risk of collisions between plant and pedestrians. Tests are being carried out at three locations in France. If successful, these will culminate in a programme run by Volvo to upscale and market the system for application in new equipment from 2022.

Other systems to detect people in the vicinity of machinery are also being tested by independent building equipment manufacturers, with a view to inclusion in the existing multibrand fleet.

An increasing number of vehicles are set to be fitted with on-board data collection devices in the future, within the limitations of each country’s laws and regulations (e.g. CNIL in France and GDPR in the EU). Positive results, such as a significant reduction in speeds, have already been obtained at Colas Rail Ltd (UK) following data-supported discussions with drivers about the risks of speeding. Colas has set a cross-subsidiary target to reduce the overall accident rate, thus benefiting employees, their families (sharing of best practice) and road users generally. This objective is based on a policy of regularly bringing road safety issues to the attention of employees. Such a policy has been implemented by various units for many years at the behest of the group and its subsidiaries, and takes the form of road safety training, post-accident analysis, driver audits and communication tools (comic strips, videos, posters). These different tools emphasise that accidents are preventable. They remind people of the steps they can take to avoid them: maintaining safe speeds and distances, not using a mobile while driving, no alcohol or drugs, parking in the direction of departure, etc.

ANAIS, a solution developed by ‘Mobility by Colas’ in partnership with Michelin Driving Data To Intelligence (DDI), leads to improved infrastructure and lowers the risk of accidents. By analysing vehicle behaviour, ANAIS is able to predict where targeted maintenance work will be needed. ANAIS has been operational in France’s Eure-et-Loir administrative department – the first local authority to adopt it – since May 2019, and in the Cher administrative department since October 2021.

(a) The French national aerobiological monitoring network.

(b) A French acronym for Acquire, Digitise, Analyse, Inform and Make Safe.

(c) Relating to the sense of touch, tactile perception.

3.4.2.2 Quality of products and services in use

The Bouygues group's aim is for quality and user comfort to be the distinguishing features of its business segments' products and services.

Better urban living

Bouygues Construction's NewCare offer aims to place health and well-being at the centre of urban projects. NewCare offers solutions for:

- making urban planning more supportive of people's health by including prevention measures in projects;
- improving the flexibility of the care pathway by developing care homes, 'medihotels', residences for senior citizens and solutions enabling people to remain in their own homes, and
- making healthcare facilities more comfortable and functional for patients and carers.

The eco-neighbourhoods built by Bouygues Construction and Bouygues Immobilier are expected to represent a huge stride forward in improving residents' quality of life, via the provision of convenience services, soft mobility, digital services and urban biodiversity, for example.

In 2021, ten years after the construction of Ginko, France's first eco-neighbourhood (awarded the French "ÉcoQuartier" label by Ademe in 2014), Bouygues Immobilier launched an architecture competition to design a "frugal space" in Bordeaux. The architecture competition is part of an ongoing project by the Municipality of Bordeaux, which recently created the "Frugal building" label. This label, which is being promoted by municipal authorities, encourages the construction of buildings that are respectful of the existing natural surroundings, adapted to the locality, oriented towards local sources of supply, and mindful of residents' habits and quality of life.

Bouygues Immobilier also unveiled its new "co-living"^a brand in 2021. Through this solution, it facilitates access to housing for people aged 25 to 40. In accordance with the age and circumstances of residents, this co-living solution offers flexible rapid access to housing – using a fully digitised reservation process – in areas where the market is tight, or to young working people, or to those undergoing change in their professional or personal circumstances.

Offices also need to be able to adapt to the changing needs of their occupants. Bouygues Construction has therefore combined innovation and best practice to create "Officity". This office solution responds to workers' expectations by offering a better quality of working life in a connected office that makes a positive contribution to its environment.

Losinger, a Bouygues Construction subsidiary in Switzerland, has developed a method of neighbourhood design known as MODD^b, in conjunction with the School of Engineering and Architecture Fribourg (HEIA-FR). This project takes account of the preferences of each user category as regards habitat and environment. After being developed and tested in five neighbourhoods, it is now in general use by Losinger Marazzi in Western Switzerland. Following the success of the Swiss project, this approach was introduced to France under the name "Mixcity" in 2017. It was initially applied in the French regions of Hauts-de-France and Provence-Alpes-Côte d'Azur.

Bouygues Construction offers its customers a smart home service. Wizom Connected, a start-up created and incubated at Bouygues Construction, has been renamed Smalt as part of its new service offering for the smart building market. Smalt operates in the BtoB market in the design, configuration, installation and maintenance of connected, open and intelligent turnkey systems. It has an open digital platform that combines all of a building's functions and services.

Bouygues Construction's "Wizom for Life" solution enables homes to evolve alongside their occupants at every stage of life, such as the arrival of a new baby, a period of temporary disability or as they get older. Designed with the help of an occupational therapist, the dwellings are more flexible and supportive. "Wizom for Life" has been rolled out at Pavillons-sous-Bois, near Paris, in the Chemins des Roseaux complex, which is specially designed to allow senior citizens to live in their own homes for as long as possible.

Protect young viewers

Lastly, the Bouygues group's media and telecoms businesses strive to shield younger viewers from the risks arising from television and the web. Since TF1 introduced its youth programming slot, all purchased series aimed at young people are viewed by the creative teams and/or a child psychologist. If the psychologist considers images unsuitable for children, this person will suggest cuts, or will occasionally judge episodes to be unacceptable for broadcasting.

Bouygues Telecom operates a proactive policy to shield children and teenagers from inappropriate web content. In 2021, Bouygues Telecom offered useful new content to parents as part of its ongoing efforts to assist parents and protect children in their digital lives. In 2020, Bouygues Telecom signed a protocol for preventing minors from gaining access to on-line pornography. The signatories also participated in the creation of the site jeprotegemonenfant.gouv.fr. On 5 October 2021, Bouygues Telecom renewed its commitment by signing a new protocol for protecting minors from the dangers of excessive screen-time. The operator supplies a first-level parental control feature free of charge to protect children from inappropriate content, and also offers a new premium parental control feature. Furthermore, a document entitled "Enfants et usages du digital : on vous accompagne" (Children and digital use: we're here to help you) is available on the Bouygues Telecom website. It offers practical advice to help combat digital risks in areas such as social media and cyber-bullying and gives tips on the reasonable use of devices. Its content is regularly disseminated on Bouygues Telecom's main communication media, such as its blog and social media.

3.4.2.3 Accessibility of products and services

The Bouygues group aims to make its products and services widely accessible, especially those of its media and telecoms businesses.

(a) Dwellings with private areas and areas shared with other residents, combined with services such as a laundry.

(b) Methods and tools for the sustainable development of neighbourhoods.

(c) An information platform offering tools, advice and practical resources to parents.



Since signing the New Deal for Mobile agreement, Bouygues Telecom has pledged to bring 4G to everyone in France. The aim is to speed up roll-out of 4G in areas where network coverage is poor, focusing on so-called not-spots. By the end of 2022, all of Bouygues Telecom's mobile sites will be equipped with 4G. Nationally,

Bouygues Telecom has been ranked second for the quality of its mobile network in mainland France, for the eighth consecutive year.

In addition, realising that usage is constantly increasing, Bouygues Telecom is committed to continuing to invest in Public Initiative Networks (PINs) for its fixed activity, so that as many people as possible can benefit from the latest technological advances.

In 2021, Bouygues Telecom continued the roll-out of its 5G network (Bordeaux, Lille, Nantes, Paris, etc.) and is building partnerships:

- Using 5G, Bouygues Construction and Bouygues Telecom are trialling new ways of “digitalising” construction sites and making day-to-day tasks easier for their employees and customers.
- Colas, Syslor and Bouygues Telecom conducted real-life trials to assess the contribution 5G can make to augmented-reality solutions for working on underground services (water, gas, electricity, etc.).
- 5G was trialled under real-life conditions at the Saint-Nazaire shipyard of Chantiers de l'Atlantique, a leading shipbuilder. From 2022 onwards, the shipyard will benefit from its own site-specific 5G coverage.

Bouygues Telecom offers a “Keep Connected service”, which guarantees Bbox customers an internet connection at all times, right from the start of their contract. Customers are provided with a 4G dongle in the shop, enabling them to connect all their devices to Wi-Fi immediately. In 2021, Bouygues Telecom launched Bbox Asso to help non-profits speed up their digital transition. This internet service is designed specifically to meet their connectivity needs.

Additionally, Bouygues Telecom has been working to help the disabled access electronic communications services in a number of ways:

- making its telephone and interpersonal communication services accessible to people who are deaf, hard of hearing, blind or aphasic. The mobile app “Rogervoice”, a Bouygues Telecom partner, enables these individuals to use the telephone by relaying their calls. In 2021, Bouygues Telecom increased the credit granted to such customers from one hour of communication per month to three hours;
- raising awareness internally of issues to do with accessibility and arranging workshops with employees who have disabilities in order to gain a better understanding of their needs and improve products. Bouygues Telecom began a process of improving access to its websites;
- improving access to its websites, starting with better access to its corporate website;
- continuing various initiatives such as:
 - engaging with non-profits that represent persons with disabilities in order to achieve a better understanding of their expectations and take account of their needs when designing new products and services;
 - offering information and invoices in Braille or large print in partnership with HandiCapZéro, and
 - making client services accessible to people with total or partial hearing loss, in partnership with Aceco.

Finally, the TF1 main channel ensures that its programmes are accessible, especially to people with impaired hearing or vision by using sub-titling and audio description. The other channels operated by TF1 also exceed the statutory requirements as regards subtitling and the provision of audio description. As regards the accessibility of digital content, the programmes on the various channels that are broadcast with subtitles or audio description are offered on the MYTF1 catch-up service with the same level of accessibility as that available on the live channels. For the first time in the history of the French national soccer team, TF1 broadcast the Ukraine-France match (24 March 2021) with audio description, in partnership with the French Football Federation (FFF). Furthermore, FACIL'iti (a solution which can adapt how a website is displayed to suit the reader's visual, motor and cognitive requirements) has also been installed on the websites of TF1 and LCI.

3.4.3 Socio-economic impacts worldwide

The purpose of the Bouygues group's activities is to provide solutions that drive progress and support the major changes within society. Its business activities have an impact on regional and local development through the construction and maintenance of road and rail transport infrastructure and buildings as well as through the expansion and operation of a telecommunications network.

3.4.3.1 Revitalise the economy

Develop the means of communication

The roll-out of superfast technology (4G and fibre) to urban environments and more sparsely populated areas is helping local and regional economic development as well as expanding digital services to as many people as possible, including in rural areas.

Fibre-optic networks add to the appeal of many towns, cities and regions, and this is helping to fuel innovation. The high speeds available and the signal stability are encouraging the boom in e-learning, working from home and e-health. Bouygues Telecom has announced ambitious plans to invest in fibre to meet the rising demand from households for fixed superfast broadband. The roll-out of the fibre-optic network picked up speed last year. Bouygues Telecom's objectives were accordingly revised upwards, from 22 million to 27 million premises marketed by 2022. Bouygues Telecom had nearly 22.5 million FTTH^a premises marketed by the end of 2021. As well as laying fibre in urban areas, Bouygues Telecom distributes its services on Public Initiative Networks (PINs). Agreements have been signed with the PINs of Axione, Covage, Altitude Infrastructure, TDF, Orange and SFR.

(a) Fibre-To-The-Home.

Help French SMEs to reach out

TF1 Pub is offering new advertiser customers a product called “F1rst”. This gives French SMEs full personalised support on preferential terms.

Since 2021, TF1 Pub has offered a targeted television advertising service which provides new opportunities for French SMEs.

Support start-ups and SMEs

In the belief that open innovation between start-ups, SMEs and large firms can yield benefits, Bouygues launched a Group-wide initiative in this area.

This is run in each business segment by a team responsible for conducting co-development projects in tandem with start-ups. Bouygues Développement, a subsidiary of Bouygues SA, is contacted by business segments that have selected start-ups relating to their key innovation areas. It analyses the funding applications received from the start-ups, issues a recommendation on plans to acquire a minority stake, and sees the investment process through to completion. The Group Open Innovation committee, coordinated by the Group’s Innovation department, oversees the whole process and ensures that best practices are shared between the business segments.

The purpose of Bouygues Construction’s investment fund (Construction Venture) is to invest in and support strategic start-ups. So far, Construction Venture has invested in seven start-ups.

Colas has invested in a start-up called Dawex, the aim of which is to implement a data exchange platform. Contracts have also been signed with other start-ups, particularly in the area of BIM . For example:

- with WiseBim, to develop a platform, and
- with Grid2Bim, to create a 3D digital model almost automatically from existing commencement notices.

Colas is also developing its own digital CIM^b platform, known as “MaxCIM”. This is a platform for safeguarding and managing various Colas resources (sites, soil data, project data, BIM and CAD models, point clouds, and monitoring and maintenance data). “MaxCIM” was developed on the basis of MapBox, with the assistance of the integrator Vectuel. It will facilitate the project design process and offer customers road-as-a-service options.

In 2015, Bouygues Immobilier founded Bird (Bouygues Immobilier R&D), a subsidiary investing in start-ups focused on the property development sector. This subsidiary invested in six start-ups in 2021. Additionally, through its Lyon regional branch, Bouygues Immobilier sits on the board of Centsept, a parapublic federation that supports the development of social innovation in the Lyon metropolitan area.

As a representative of the media sector at Station F, the start-up campus in Paris, TF1 launched an incubator programme in January 2018 that will trial and mass produce innovative solutions and services, in line with new market practices and changes within the professions. During this six-month programme, start-ups are supported by professional experts and sponsors from TF1. Since its launch, the Media Lab incubator programme has supported 38 start-ups, 60% of which have signed a contract with TF1 group.

Bouygues Telecom has supported open innovation since 2009. Through its support programme (Bouygues Telecom Initiatives), over 3,000 start-ups have been analysed, 130 co-development projects turned into start-ups and 15 investments made in start-ups. Some examples:

- Recommerce: a specialist in high-end smartphone refurbishing and a partner of Bouygues Telecom in the area of recovery and recycling for the past ten years;
- Evina: a Parisian start-up specialising in cybersecurity which safeguards telecoms operators from fraudulent transactions;
- DataGalaxy: a data governance tool that enables an organisation to obtain an overview of its own data and guarantee it is used correctly.

Support for the not-for-profit sector

Digitalisation is one of the major challenges non-profits must meet if they are to ensure the effectiveness of their organisation, their development and their ability to recruit volunteers, so Bouygues Telecom launched Bbox Asso, the first internet service to respond to the connectivity needs of non-profits. Bouygues Telecom has gone even further by developing a major voluntary work platform offering over 10,000 volunteer assignments across France.

3.4.3.2 Housing for people

Help provide access to housing and urban services

With its diverse offers, Bouygues endeavours to meet the needs of first-time buyers and social housing occupants. Bouygues Immobilier markets a portion of its developments (56% of block reservations in 2021) to social landlords. It also develops housing adapted to senior citizens (e.g. 35 “Les Jardins d’Arcadie” residences for senior citizens in operation by the end of 2021). Additionally, the eco-neighbourhoods developed by Bouygues seek to factor in social diversity and access to public amenities.

Fight fuel poverty

Bouygues Construction’s programme provides energy renovation for social housing, without the need to decant the occupants, and helps social landlords reduce fuel poverty among low-income households. The company has signed the “EnergieSprong” charter, the purpose of which is to support the mass roll-out of energy renovations in social housing. This Europe-wide initiative is based on a high-grade level of specifications: zero-energy renovation^c guaranteed over 30 years; one-week renovations without decanting residents; cost overruns funded by the resale of renewable energy and energy cost reductions; and a focus on occupant satisfaction. Two pilot projects have been implemented (in Hem and in Longueau, both in northern France).

The Socially Responsible Housing programme, which arose from an innovation partnership between the action tank “Entreprise et Pauvreté” and Bouygues Bâtiment Île-de-France Habitat Social, is committed to building affordable housing for low-income households and those which do not qualify for social housing in their local area. The first project in Stains, near Paris, consists of two buildings containing 59 high-quality apartments offered at rents that are 20% lower than for a conventional programme, with handover scheduled for the first quarter of 2022.

3.4.3.3 Employ local people

The presence of the Group’s activities in a given place helps to develop and sustain employment. Its business segments, whether in France or elsewhere, use local labour as a priority and encourage the development of local subcontractors. Colas has a positive impact on employment and regional development where it operates, through its workforce of

(a) Building Information Modelling.

(b) City Information Modeling. This solution expands BIM’s scope of application to the scale of a neighbourhood, city or region.

(c) Thermal renovation aiming for a passive energy score.

55,411 employees worldwide and network of long-standing local units. As customer proximity is a priority, jobs cannot be relocated abroad.

France



The Group's companies span all of France (60% of sales and 66,126 employees). As such, the Group operates at the heart of regional economies and is a driving force for local employment.

The Group's business segments are drivers of occupational integration. In France, public procurement contracts include occupational integration clauses. To apply these criteria as effectively as possible, so that people remain in employment for the long term, Bouygues Construction and Colas forge partnerships with local and national specialised organisations.

Bouygues Construction is continuing its partnership with Institut de l'Engagement, of which it is a founding partner. This body helps young people to pursue rewarding and often unconventional career paths and become responsible citizens as they achieve their career goals: returning to study, seeking employment, setting up a business or partnership, etc. A jury selects and mentors the candidates. They then benefit from workshops and conferences on a variety of topics, including diversity and equal opportunities. Employees of Bouygues Construction may serve on juries and participate in workshops and conferences.

At Colas, local partnership agreements have been signed with GEIQs (groups of employers promoting occupational integration and vocational training) to facilitate the integration of people who are having difficulty entering the job market or returning to work. The GEIQs recruit people from the target groups and then place them with member businesses, arranging a mixture of theory and hands-on work experience. Colas Rail and the GEIQ

in the Paris region mounted an advertising campaign for "Excavator drivers (m/f) Rail/Road" with the aim of attracting more women applicants.

Furthermore, some Colas entities in mainland France have developed ties with employment and training agencies or with Humando (part of the Adecco Group). Humando assists all sections of the community with welfare-to-work schemes, via a national network based on skills and motivation rather than experience and qualifications. Other entities are participating in "Hope", a project welcoming refugees that offers accommodation, guidance and pathways to employment. Since 2018, this experimental programme, which was developed by the French Ministry of Labour in partnership with the FNTP, Afpa, the GEIQs and the employment agency Pôle Emploi, has been addressing the specific difficulties encountered by refugees on arrival in France. Each of them is given lessons in French, training in worksite health & safety and is offered a placement to see the company at work.

Finally, the initiatives of the TF1 corporate foundation focus on diversity and helping young people find employment. Each year it uses a competitive process to recruit young people between the ages of 18 and 30 from disadvantaged areas. Additionally, the foundation each year organises an inter-company internship scheme aimed at 14/15-year-olds.

TF1's patronage initiatives placed particular emphasis on occupational integration, working with organisations such as Sport dans la Ville – a major partner which helps young people from disadvantaged urban areas. This partnership covers the mentoring of young people and financial support for "L dans la Ville", a sub-programme that promotes the occupational integration of girls. Furthermore, TF1 group is supporting a non-profit called "La Chance pour la Diversité dans les Médias", which aims to increase diversity in the media by preparing grant-holders to compete for places at schools of journalism.

- (a) French national public works federation.
- (b) An adult professional training organisation.

Bouygues Construction indicators

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Number of hours devoted to occupational integration and the corresponding FTE ^a (France)	France	45.3% of Bouygues Construction's consolidated sales	1,568,659	1,366,562	Since launching official programmes to support employment and occupational integration in 2017, Bouygues Construction has continued to demonstrate its strong commitment in these areas. It goes above and beyond its contractual obligations, implementing specific measures across all its locations.
Percentage of expenditure going to local companies	Global	96% of Bouygues Construction's consolidated sales	92%	90%	This indicator was stable at a high level. Local purchasing equates to a purchase within the country.

(a) Full-time equivalent.

International

The Group endeavours to source site workers and supervisory employees locally, which strengthens its position in terms of direct and indirect employment, fosters the transfer of expertise and supports local communities.

In Canada, the Colas subsidiaries (NPA, Sintra, The Miller Group) are working for "Truth and Reconciliation" with the Canadian indigenous peoples (First Nations, Métis and Inuit). They are participating in the Progressive Aboriginal Relations (PAR) programme run by the Canadian Council for Aboriginal Business (CCAB). This programme encourages the

participating businesses to invest in the development and growth of the indigenous economy throughout Canada. Colas' participating subsidiaries in Canada are implementing processes in four areas (Leadership, Jobs, Business Development and Community Relationships). Their performance will be assessed by the CCAB with a view to obtaining certification: 'Committed' after three years, and then 'Certified' after five years. AW Edwards, Bouygues Bâtiment International's subsidiary in Australia, has for several years implemented a series of specific measures (apprenticeship programme, support from mentors who are themselves Aboriginal Australians) to integrate indigenous Australians and recognise their culture in the day-to-day life of the company.

3.4.4 Relations with people and organisations affected by the company's business activity

3.4.4.1 Dialogue with stakeholders

At Bouygues, dialogue with stakeholders is conducted at three levels: Group, business segment and at the local level.

The Group dialogues with stakeholders, including non-financial ratings agencies, the investor community, trade unions, government departments and NGOs in an effort to take their expectations increasingly into account.

Bouygues publishes an Integrated Report^a as a summary of the Group's vision, strategy (and that of its business segments) and corporate culture, showing how it creates value for its stakeholders.

Each business segment maps out its respective stakeholders and liaises with them regularly on their own specific issues to identify areas for improvement and the associated relevant actions.

Listen to customers and fulfil their requirements

Ever since the Bouygues group was founded, being attentive to customers and ensuring their satisfaction have been regarded as key success factors. Measuring customer satisfaction is a basic requirement of ISO 9001 (quality management system). Bouygues Immobilier encourages the carrying out of customer surveys at the end of each commercial phase, as does Bouygues Construction at the end of each commercial and operational phase.

Worksite customers take pride of place in Bouygues Construction's Top Site label, which can only be granted with their approval.

For example, Colas Bâtiment gives out satisfaction surveys to residents during maintained occupancy rehabilitation projects. These aim to measure satisfaction according to four criteria: information before the work commenced, the quality of the work, the clean-up afterwards and relations with the company. The survey results reveal that the "Relations with the company" criterion achieves the highest satisfaction rating.

At the sixth "UX Awards" for brands that propose innovative digital experiences, Bouygues Telecom won first prize for Content Strategy and Brand Image.

In 2021, Bouygues Telecom continued improving customer experience and satisfaction through two initiatives:

- A complete overhaul of its on-line support: the way users interact with help tools was redesigned, in particular through the use of terms and actions adapted to novice customers.
- The creation of a practical guide: articles in straightforward language, high quality content, expert guidance, to help prospects choose the right products.

"Be Progress", a tool designed to optimise feedback from customer advisers and sales employees in direct contact with customers, helps manage the customer experience more effectively. It simplifies the process so that complaints and errors affecting the customer experience can be sent and resolved more easily as part of a team effort. Additionally, the Customer Committee, which was renewed in 2019 and is composed of 20 customers

(a) On the home page of bouygues.com, and on the "Investors at a glance" or "Newsroom" (Publications) pages.

of Bouygues Telecom selected according to a variety of criteria, gives customers a say in the continuous improvement of products and services.

At TF1, the news mediator receives opinions, queries and any complaints concerning news broadcasts on TF1 and LCI, via the Viewer Relations section on the LCI website. The news mediator provides explanations about how television news is produced and the rules by which it must abide. This person also notifies the newsrooms whenever several similar opinions are voiced by viewers.

Constant dialogue

External social media are an excellent channel for exchanging ideas with stakeholders. Besides TF1, several of the Bouygues group's entities run blogs discussing current and future trends on which users can comment: *BouyguesDD* (www.bouyguesdd.com), *L'innovation partagée* (www.bouygues-construction.com/blog), the forward-thinking blog *Demain la Ville* (www.demainlaville.com), *Le Mag* (blog.bouyguetelecom.fr). In 2021 Bouygues began publishing a new blog on innovation in the Group. Known as Bouygues Innovation (<https://bouygues-innovation.com/>), it has a focus on intrapreneurship and open innovation.

Each of Bouygues Immobilier's flagship projects is accompanied by comprehensive online content, posted on a dedicated website or on social media, for the purposes of informing and exchanging information with project stakeholders.

At Bouygues Immobilier, the quality-enhancement strategy is a constant way of exchange with customers, albeit indirectly. Satisfaction surveys carried out at the time of purchase and handover, together with the results of the Net Promoter Score, provide information about customer expectations and ensure the continuous improvement of services and construction quality.

With the assistance of its customer advisers, Bouygues Telecom develops and monitors customers' digital experience on its own forums ("Customer Area" app) as well as on social media such as Facebook and Twitter. Bouygues Telecom supports all its customers in their digital lives through its help forum.

Close, high-quality relations with its audience is a priority for TF1, which keeps permanently in touch with viewers through social media and the "TF1&Vous" page. Audiences can interact about shows and presenters at any time.

The editorial teams of TF1 and LCI set up "Les Vérificateurs" ("the fact checkers"). This team of journalists specialises in fact-checking to combat fake news and disinformation. "Les Vérificateurs" routinely fact-check for the various channels within TF1, especially for TF1's news bulletins and various programmes on LCI and the lci.fr website.

Furthermore, the TF1 group now organises monthly "Meet the news team" events, chaired by the news mediator in partnership with CLEMI, the centre for media and information literacy. The launch of these meetings demonstrates TF1's willingness to continue strengthening its close and trust-based relations with viewers, and to make news production more transparent in order to create a better understanding of news journalism.

Consultation exercises and local dialogue

At the local level, procedures have been introduced to encourage grassroots dialogue between site and worksite managers and local residents, and thus

foster public acceptance of the Bouygues group's construction businesses (Bouygues Construction, Bouygues Immobilier and Colas).

Giving local residents advance warning of disturbances and enabling them to report them are ways of making worksites more acceptable.

- The Com'in start-up offers a mobile app of the same name that can be used by the general public. It enables residents to obtain advance warning when potentially disruptive events are planned and to report disturbances, which are then correlated with the data from the sensors. A cloud platform analyses the real-time data collected by smart sensors installed around the worksite. Site managers then receive a real-time alert if any of the authorised levels are exceeded. At the end of 2020, Com'in won a "Netexplo Change" award in the social and environmental responsibility category. Com'in, a start-up from the Bouygues group's intrapreneurship programme, changed its status in 2021 to become a simplified joint stock company. Bouygues Construction and Colas each own 50% of its shares.
- The "Hello Travaux" app from Colas is a professional networking site used to communicate in real time with local residents affected by neighbouring worksites. Information on the works (roads closed, diversions, etc.) is communicated each week and the app's users can ask questions and report problems themselves.

In managing its projects, UrbanEra, a subsidiary of Bouygues Immobilier, always strives to cooperate with local stakeholders and encourage the participation of local residents. UrbanEra therefore launched a community consultation exercise called "Mon Quartier Rêvé" ("My Dream Neighbourhood") at the start of 2021. This discovered more about how French people imagine their ideal surroundings. The results of the exercise are available on a dedicated website. In March 2021, Bouygues Immobilier signed the "1 building, 1 artwork" charter, with a view to supporting creativity and promoting art and culture. Specific measures have already been implemented. An art initiative entitled "Cœur de chantier" took place during the construction of the Nanterre Cœur Université eco-neighbourhood to the west of Paris. This initiative encouraged the appreciation of art in public spaces in order to give the neighbourhood a sense of identity. It involved the inhabitants, including local schoolchildren. A total of 800 people took part in the project. Lastly, Bouygues Immobilier joined the *Convention des entreprises pour le climat* (Corporate Convention for the Climate). This convention, launched in September 2021, brings together more than 150 senior executives for eight months to carry out tangible actions in support of the ecological transition.

Acceptance of production sites by local residents is a social responsibility issue of paramount importance to Colas worldwide. Its activities can affect the environment and/or people's health in the surrounding areas in various ways (odours, dust, traffic, noise, other forms of pollution). Colas has established action plans focused on two areas:

- **exemplary production sites** – each site must implement progress measures that go beyond mere compliance with administrative or regulatory requirements. A system for registering complaints is set up at each site so that they can be followed up (response and resolution);
- **regular dialogue with local residents and authorities** – maintaining an open dialogue with local communities makes it possible to better understand their expectations, explain the reality and constraints of production sites, and promote mutual understanding to prevent crisis situations.

(a) Used to measure customer satisfaction and the likelihood they will recommend a brand, product or service. Percentage of customers likely to recommend the brand, product or service (promoters), minus the percentage of dissatisfied customers (detractors).

(b) <https://mon-quartier-reve.fr/>.

At Colas, a “Local Dialogue” indicator has been added to the Environment checklist of previous actions in order to assess the extent of local dialogue and improve public acceptance of Colas’ activities. In 2021, these various

local dialogue actions were implemented at 48% (in terms of sales before inter-company eliminations) of Colas’ Materials production sites.

Colas Indicator

	Scope (activity or region)	Coverage	2021	2020	Remarks
Materials production sites working to promote dialogue with local communities^a as a % of sales before inter-company eliminations	Global	100% of the sales before inter-company eliminations of the materials production sites	48%	43%	The five-point rise is due to an increase of 48 points in Canada, especially at the McAsphalt subsidiary, where over 25 materials production sites have a local dialogue system.

(a) Activities that can justify (through a specific report) during the reporting period that they have genuinely interacted with local residents, elected representatives and government through meetings and proper responses to complaints. Supporting documentation must be kept on file.

For selected property-related and urban development projects, Bouygues Construction and Bouygues Immobilier listen to local people and stakeholders using methods such as interviews, digital co-creation platforms and vox pops with passers-by as part of their operations.

“CityPlay”, which was launched by Bouygues Construction several years ago, is evolving into a co-design approach used by Bouygues Construction for urban planning. Its aims are to work with residents and other stakeholders to visualise and develop a more resilient, more inclusive and smarter city. With “CityPlay”, Bouygues Construction offers a range of solutions to help cities with their plans to transform themselves in collaboration with citizen-designers, active users and involved residents. Its initiative depends, for example, on:

- forward-looking workshops, to contribute to a local authority’s deliberations;
- serious games, to develop a project jointly with its end users;
- modelling of unique and hybrid spaces, to create a future community of users, and
- intrapreneurship: an incubator for citizen-centred projects, to promote the emergence of ultra-local initiatives.

“CityPlay” has already had an impact on 45 projects, including the new La Maillerie district (an innovative urban project) in the Lille Metropolitan area, Les Fabriques (creation of new activities within a ‘makerspace’) in Marseille, “Share” (‘serious game’) in Tours, and the Smart City projects of Bouygues Energies & Services.

Bouygues Telecom is committed to a long-term process of dialogue and consultation with municipal authorities. External relations teams throughout the country assist local authorities as they migrate to superfast fixed and mobile services. By working closely with local authorities, Bouygues Telecom is able to develop innovative opportunities for individuals, businesses, professionals and local representatives.

In this respect, and in accordance with the decrees enacting the Abeille law, Bouygues Telecom has since 2017 followed the principle of continuous transparency by sending dossiers containing full information about its roll-out plans, and any alterations to its existing sites, to the relevant municipalities, in accordance with the guidelines laid down by the government and by ANFR .

3.4.4.2 Patronage and academic partnerships

Patronage policy is implemented at Bouygues group level, within the five business segments and through community initiatives.

The patronage policy of Bouygues SA, the parent company of the Bouygues group, focuses on the themes of education, healthcare, humanitarian and environmental initiatives. The Group’s parent company helps and supports all kinds of initiatives, small-scale or otherwise. It gives priority to long-term actions and focuses mainly on projects sponsored by Group employees.

Each of the Group’s five business segments also carries out its own patronage initiatives through their own corporate foundations.

Each year, the Francis Bouygues Foundation provides high-achiever grants to motivated school leavers facing financial barriers to further study. During their course, each grant-holder is supported by a mentor, who will be either a Bouygues group employee or a former Foundation grant-holder. Since it was set up, the Foundation has assisted 1,089 students.

Bouygues Travaux Publics provides the French National Institute for Preventive Archaeological Research (Inrap) with funding for its research and preventive archaeological work. This patronage initiative is a reflection of Bouygues Travaux Public’s lasting commitment to popular science and the preservation of heritage. In addition, Bouygues Bâtiment Île-de-France contributed to archaeological digs at the Atrium City worksite near Paris. The efficient collaboration between the Bouygues Bâtiment Ile-de-France site workers and Inrap archaeologists resulted in the discovery of a prehistoric site dating back to the Middle Palaeolithic period.

(a) France’s National Frequencies Agency.

Group spending on patronage and sponsorship

€ '000	The Francis Bouygues Foundation	Bouygues SA	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	2021 Group total	2020 Group total
Spending on patronage and sponsorship in cash	1,618	1,741	2,462	1,164	3,875	3,661	760	15,281	21,098
Spending in kind on patronage and sponsorship (value)					252	111,700	173	112,125	136,698
Total	1,618	1,741	2,462	1,164	4,127	115,361	933	127,406	152,447

During the pandemic and its accompanying restrictions, there was a significant fall in the volume of patronage and sponsorship undertaken by **Bouygues Construction** (down 45% in value terms). The Terre Plurielle Foundation helped fund a project by non-profit M' Madagascar for the renovation of Ambatomiranty primary school, with the assistance of Bouygues Bâtiment Ile de France and Bouygues Bâtiment International.

At **Colas**, the total amount of patronage spending (in cash and in kind) fell by 28% between 2020 and 2021. These donations were chiefly in the area of community action and humanitarian work, thus reflecting the company's active involvement in supporting local populations, especially at international level.

In 2021, **TF1** group continued to provide considerable support by granting free airtime, especially since there continued to be a considerable number of government TV spots relating to the pandemic.

Focus on skills-patronage programmes and donations in kind

Whenever possible, the Group's business segments give tangible expression to their societal commitment by volunteering their knowledge and expertise.

In early 2021, for example, Bouygues Bâtiment International signed a skills patronage agreement with the charity La Chaîne de l'Espoir. This relates to the renovation of a hospital unit in Madagascar for children suffering from cardiac diseases. Several employees participated in this voluntary humanitarian project, whether in the engineering, purchasing, logistics or legal services teams. Some suppliers also agreed to help out with donations of money or equipment.

Employees of Bouygues Travaux Publics have been collecting donations throughout France for the food bank charity Les Restos du Cœur, as part of a charitable initiative called "Les TP ont du cœur". They began by setting up several local collection points as well as a national on-line fundraising pot. One of the collections was organised for Les Restos du Cœur des Yvelines.

As part of its "Beyond" strategy, Bouygues Bâtiment International has set itself the target of at least one community action project at each construction site. This may consist of either developing a new project or participating in an existing nationwide project.

Several branches of Bouygues Immobilier (Brittany, Centre, Pays de la Loire) arranged a "Good for the Community" day on 1 October 2021. Employees

at these branches were able to volunteer for causes they support. In total, 11 social or environmental activities took place on that day.

Meanwhile, in France and Ivory Coast, Colas participated in the "Forest and Life" educational programme founded by Canopé and Kinomé. The objective is to participate in reforestation projects and educate children on the challenges of sustainable development. Primary school pupils spend a year learning about forests with their teacher, before helping to plant trees on a nearby piece of land with the assistance of forestry technicians. At the same time, teachers will be given professional support with making their pupils aware of sustainable development issues throughout the year.

To help French citizens wishing to volunteer for a charity, Bouygues Telecom has set up and launched a voluntary work platform offering over 10,000 volunteer assignments across France.

In addition, TF1 donates airtime to a wide variety of causes and charitable organisations, including medical research and helping people who are ill or destitute (Les Pièces Jaunes, Les Restos du Cœur, le Sidaction, ELA). TF1 also assists by donating game-show winnings, making spots and short programmes about appeals for donations, and boosting the visibility of charitable activities with the help of its well-known journalist presenters.

The aim of the "Solidarités Urbaines" Lab, which the Bouygues Immobilier Corporate Foundation co-created in partnership with Ticket for Change, is to assist entrepreneurs with projects promoting community action, through a support programme lasting six months. Since 2017, a total of 50 projects have been supported, including nine new ones in the 2021 financial year.

(a) The European Leukodystrophy association.

Bouygues Construction indicator

Indicator	Scope (activity or region)	Coverage	2021	2020	Remarks
Number of partnerships ^a during the year supporting education, healthcare and occupational integration or in response to emergency situations	Global	96% of Bouygues Construction's consolidated sales	209	280	This drop was related to the pandemic.

(a) A partnership contract, a long-term commitment to a charity, a one-time transaction committing to minimum funding of €1,000.

Environmental patronage

The sponsorship and patronage policy was redefined in line with the Climate strategy. Since 2020, initiatives to help the environment have been included among those eligible for financial support from Bouygues in the future. Targeted projects fall within the scope of research activities, bio-inspired innovations, climate support initiatives in the field, as well as raising awareness about the ecological transition. In 2021, non-profits were selected by the Ethics and Patronage Committee of the Bouygues group. These include:

- Time for the Planet, a not-for-profit investment fund open to everyone. It identifies the best innovations worldwide that will contribute towards reducing greenhouse gas emissions and to create and finance 100 companies that will adopt them. These companies will then immediately provide their innovations in open source so that they can be copied and marketed the world over.
- Chronos Global's ultimate objective is to formulate proposals for priority actions that will expand and accelerate the fight against climate change and loss of biodiversity. To this end, a major consultation of interested parties from the participating companies took place between September and December 2021, in order to elicit their concerns and suggestions. The responses will be evaluated from January to May 2022. One hundred proposals for priority actions will then be disseminated, starting in June 2022.

Bouygues Immobilier has not only supported the LPO^a since 2015, but is also a member of "Club Urbanisme, Bâti et Biodiversité" (U2B), a think tank which focuses on the inclusion of biodiversity in urban planning and development. This year, Bouygues Immobilier is supporting Noé, a nature conservation charity which runs programmes to protect biodiversity both in France and abroad.

Encourage employee involvement

Several of the Group's business segments have made arrangements so that employees can take part in community action initiatives during worktime.

At Colas, participation in the life of local communities takes place by means of patronage and sponsorship actions. These are covered by the Colas compliance policy. The total amount of patronage spending (in cash and in kind) fell by 28% in 2021. Donations were chiefly in the areas of community action and humanitarian work, reflecting the company's active involvement in supporting local populations, especially at international level. The total amount of sponsorship spending fell by 29% in 2021, against the backdrop of the Covid-19 pandemic (some events cancelled or postponed, careful budgeting). As in previous years, sponsorship focused on sport.

(a) The French bird protection league.

Colas' patronage and sponsorship policy is geared towards priorities that are aligned with its social commitments and that have wide appeal among employees. The Colas Corporate Foundation has therefore adjusted its scope and purpose. In all the regions where Colas operates, the Foundation will support and assist initiatives to help children and young people integrate into society and the world of work through education, economic activity, sport or culture.

In 2021, the Bouygues Telecom Corporate Foundation redefined its mission, which henceforth is to promote wide-ranging community involvement in social and environmental causes. As part of this reorientation, the Foundation has launched a number of initiatives:

- signing of a partnership with Benenova to widen access to volunteering and make it more inclusive by offering new ways to volunteer;
- launching of an incubator to support the development of non-profits less than three years old that rely on a community of volunteers or raise public awareness of social or environmental causes. This support takes the form of a financial donation, mentoring by a volunteer employee (trained by an external partner), access to impact measuring services via specialist external partners, and access to management software or temporary workspaces. Seven non-profits will be supported in 2021-2022, and
- the setting up of participatory governance: the employees choose which non-profits will be supported by the Foundation.

The Bouygues Telecom Corporate Foundation has over 1,057 volunteers from within the workforce. When they become charity volunteers, employees can participate in patronage initiatives during their working hours. As it does every year, the Foundation gave financial support to ten non-profit projects, which make use of digital technology to protect the environment and help the most vulnerable in society, that were sponsored by customers and preselected by a jury of ten employees.

Committed to urban planning and urban environments

Bouygues Bâtiment Île-de-France is a founding member of the Palladio Foundation, which promotes research, training and the exchange of information in the property development and urban planning sector. Its objective is to respond more effectively to current and future issues connected with building urban environments.

The Bouygues Immobilier Corporate Foundation aims to help make urban environments more people-friendly through forward planning and community action initiatives. In order to strengthen community spirit, the Corporate Foundation is a partner of two non-profits with national ambitions: “Ticket for Change” and “Voisin Malin”. Via the forward-thinking blog *Demain la Ville*, the Bouygues Immobilier Corporate Foundation showcases future-oriented articles about sustainable cities and urban environments. Through its partnerships and own research, the Bouygues Immobilier Corporate Foundation is in constant dialogue with all types of stakeholders involved in shaping the city of the future.

In Lyon, Bouygues Immobilier has owned the vacant Nexans industrial plot since 2018. Developing this four-hectare site in the city’s 7th arrondissement will take several years. At present it is occupied by temporary urban installations. During summer 2021, a pop-up cultural space called La Cité des Halles (7,000 m²) opened its doors. In September 2021, Bouygues Immobilier organised the “Demain la ville” festival there, to give a voice to everyone shaping the city of today and tomorrow. The programme included an afternoon of talks with four round tables and interviews, as well as workshops on eating sustainably, street art and urban agriculture.

3.4.4.3 Academic partnerships

The Bouygues group has set up partnerships with the academic world in an effort to meet major environmental and social challenges more effectively.

Bouygues worked with le Centre Michel Serres and HESAM^a to set up a project on how local energy lifestyles will develop by 2030: this looks at usage scenarios in relation to imagined social, political and technological changes.

In 2021, the Bouygues group helped establish the Global Circular Economy Chair – the first international academic programme in this field. The programme is for students of Essec Business School, with the first cohort due to graduate in September 2022. In 2020, Bouygues participated in the creation of the “Smart City and the Common Good” academic chair at HEC Paris (see section 3.2.1.2 of this document).

Bouygues Construction is working on high-potential areas of innovation in conjunction with several universities, namely those of Cergy-Pontoise in France (mobility) and Aachen in Germany (production of a prototype asbestos-removing robot), ETH Zurich in Switzerland and NTU in Singapore

(robotics), École Centrale de Lille (the “Construction 4.0” chair, worksite modernisation) and Stanford in California (BIM). In partnership with the elite civil engineering school ESTP, Bouygues Construction also helped set up a “Construction and infrastructure digital twins in their environment” research chair. The aim of this project is to drive forward the adoption of this technology for the digitalisation of the sector, and to prioritise projects that are longer lasting and more environmentally sustainable, based in particular on the more rigorous lifecycle assessment (LCA) enabled by this innovation.

Under the aegis of the new “Timber and Blended Materials Academy” established by Bouygues Bâtiment Ile-de-France, the first training course for the certificate of “Assembler of structures in timber and blended materials” began on 6 December 2021 at the Gustave Eiffel vocational school in Massy, near Paris. This year’s intake has 14 people on work/study contracts. This flexible sandwich course lasts one year. At the end, the work/study students will hold a professional qualification.

Colas is developing several partnerships in France and abroad. Academic partnerships have been forged with universities and other higher education establishments. These include ESTP, Gustave Eiffel University (road instrumentation), IMT Lille Douai (understanding how certain specific binders work), École Nationale Supérieure de Chimie at Montpellier (development of bitumen emulsifiers) and the University of Artois (studying the thermo-physical properties of road surfaces) – all of which are in France, and RMIT^b (research project on modified bitumens) in Australia, among others. These partnerships also involve organisations and companies such as Inria^c (ageing mechanism in binders), Ineris^d, CNRS (study of natural fibres), CEA^e, ChemSud^f, FRB^g and Arkema, for scientific or research and development purposes. For more on this subject see section 1.1.4 “A strategy of innovation for the benefit of users” in this document.

Since September 2021, Bouygues Telecom has sponsored the new intakes of students at the higher education establishments Telecom Paris and EFREI^h Paris. The purpose of this sponsorship is to promote careers in the network and IT professions, which students often overlook. Visits will be arranged to its Technopôle site in Meudon-la-Forêt, south-west of Paris, as well as lectures, forums and relationship-building sessions throughout the year. In response to the pandemic, Bouygues Telecom moved 90 events with its partner academic institutions on-line: forums, courses, conferences and even remote tours of its Technopôle site were organised for engineering and business schools, and also universities. A total of 171 events were held in 2021.

At TF1, the partnership with CLEMIⁱ (see section 3.4.4.1), inviting a large number of secondary school pupils to “Meet the news team” events, enables the group to make contact with young audiences and give them an opportunity to speak directly to members of the news teams at TF1.

(a) Hautes Écoles Sorbonne Arts et Métiers.

(b) Royal Melbourne Institute of Technology.

(c) The French National Institute for Research in Digital Science and Technology.

(d) The French National Institute for Industrial Environment and Risks.

(e) The French Alternative Energies and Atomic Energy Commission.

(f) European chair for new chemistry for sustainable development.

(g) French Biodiversity Research Foundation.

(h) École française d’électronique et d’informatique.

(i) The French centre for media and information literacy.

3.4.5 Partners, suppliers and subcontractors

Bouygues' overall performance, and its ability to adapt its activities to the Earth's finite resources, are intrinsically linked to those of its suppliers and subcontractors, and to collaborating with this end in view. Bouygues and its business partners share an overarching objective: to find solutions that are low-carbon, respectful of living beings, more efficient and more responsible. It is by co-creating such solutions that Bouygues will meet its objective of decarbonising Scope 3a (purchases made by the Group) of its carbon footprint by 30%.

Integrate CSR and "low carbon" criteria into the purchasing policy

For a number of years, Bouygues has undertaken to comply with the Corporate Social Responsibility (CSR) principles defined in the UN Global Compact, and to integrate them into the purchasing processes of its subsidiaries both in France and abroad.

In accordance with the duty of vigilance law in France, in 2021 the Group published its fifth vigilance plan for suppliers and subcontractors. This sets out the measures taken by its subsidiaries to prevent and mitigate the main risks to human rights, and to the health and safety of human beings and the environment, while also detailing how these measures are monitored (see section 4.3, Vigilance plan). This policy is helping to achieve the Group's goals as defined in the CSR Charter for Suppliers and Subcontractors, which is appended to purchasing contracts and subcontracts, and/or included in the T&Cs.

During 2021, the Group's business segments made further progress with rolling out their responsible purchasing policies as part of the Climate strategy in particular. The Bouygues group's Purchasing departments are the key players in its responsible purchasing policy, which they implement in three main ways:

- an increased focus on assessing their subcontractors and suppliers;
- careful selection of products and materials for their operations, and
- responsible purchasing behaviour, with particular emphasis on meeting payment deadlines.

Colas has set out its commitment to responsible purchasing in a document called "Building a responsible supply chain based on sustainable performance", as part of the roll-out of its eight CSR commitments. The commitment to "responsible purchasing" covers four areas of action:

- training and making the whole purchasing circuit CSR-compliant;
- drawing up a "Purchasing & CSR" action plan in collaboration with its entities, with particular reference to the Group's Low Carbon and Biodiversity strategy;
- ensuring that suppliers are committed to abiding by CSR principles, based on the CSR risk maps that Colas prepared for its purchasing activities in 2020, and
- ensuring that Colas complies with its CSR commitments to suppliers.

This roadmap will be officially included in Colas' purchasing policy in 2022.

Bouygues Construction continued the roll-out of its responsible purchasing policy in 2021. In total, almost 200 employees in the Purchasing department have received in-person training on the issues relating to this topic. Specific on-line training is also available in French and English. At the 2021 annual appraisals, ten responsible purchasing objectives were set – four

compulsory, six optional – for the entire department. An international CSR purchasing committee was set up in 2019 to complement the one that already operates mainly in France. These committees deal with topics such as total cost comparisons, improving the interface with the design and marketing teams, social value initiatives (use of micro businesses/SMEs, sheltered workshops and disability-friendly companies) and integrating CSR criteria into the purchasing process. In 2021, Bouygues Construction redoubled its efforts in relation to climate change by bringing various purchasing drivers into play:

- numerous initiatives relating to the circular economy (circular economy purchasing guide, webinars, innovations, etc.);
- rolling out the strategy for decarbonising purchases, including identifying the 17 most carbon-intensive purchasing segments, and
- appointing purchasing coordinators to define strategies, action plans and quantitative targets in these segments in order to contribute to the decarbonisation targets contained in Bouygues Construction's Climate strategy.

At the same time, Bouygues Construction is cooperating even more closely with suppliers so that both parties can move forward together.

Bouygues Telecom's decarbonisation strategy moved to the next level in 2021. First of all, newsletters were sent out to its 100 key suppliers with the aim of gaining their cooperation in a joint effort to reduce the carbon footprint and shape a more sustainable digital future. Bouygues Telecom mapped the carbon footprint by type of purchase. This enabled it to rank the suppliers in order of priority for inclusion in the initiative (telecoms equipment suppliers, fixed devices, handsets and services). As a result, about 15 meetings took place in 2021 regarding their own climate strategies and targets for reducing CO₂ emissions. Furthermore, the "Decarbonisation" challenge is systematically included in strategic review meetings with suppliers.

To support the roll-out of the initiative involving suppliers, and help buyers improve their skills in relation to the Climate strategy, Bouygues Telecom's purchasing department recruited an expert in eco-design and lifecycle assessments (LCAs). One of their key tasks is to run twice-monthly training courses geared to purchasing, which complement special workshops on eco-design run by an external design studio. The Purchasing department also launched its own newsletter in 2021. The first issue was devoted to the decarbonisation initiative aimed at suppliers.

Assessment of suppliers and subcontractors

Bouygues Construction, Bouygues Immobilier, Colas, TF1 and Bouygues Telecom map CSR risks by purchasing category. These five business segments use external assessment tools to evaluate and monitor the social and environmental performance of their suppliers and subcontractors over the long term. All business segments conduct supplier audits. At TF1, these consist of CSR audits.

Bouygues Construction, for example, has commissioned three external companies – SGS, Intertek and Bureau Veritas – to carry out supplier CSR audits for countries and purchasing categories classified as high risk. A total of 42 audits were performed in 2021 on suppliers deemed high risk, and the long-term objective is to achieve 100% coverage. The Acesia platform is also used to evaluate the CSR performance of partner suppliers and allow them to access a progress plan from Afnor, the French standardisation body. In

(a) Purchasing terms and conditions.

parallel, an internal third-party assessment module has now been rolled out to evaluate suppliers and subcontractors in a single database according to six criteria, one of which is CSR. Bouygues Construction launched a suppliers' newsletter in which to share its aims and experiences. This is sent to around 20,000 third parties, and concerns targets relating to decarbonisation.

Bouygues Immobilier is evaluating the majority of its high-risk suppliers and subcontractors. The company has set itself the target of using EcoVadis to assess all of its suppliers that have signed master service agreements. Small, medium-sized and micro businesses are self-assessed digitally via the SRM software platform to improve monitoring of their CSR performance. As part of its new "Works Purchasing" policy, Bouygues Immobilier is developing partnerships with the microbusinesses and SMEs that score highest, particularly in terms of sustainable development criteria.

In 2021, despite the hit from worldwide Covid-19 pandemic, Bouygues Telecom rolled out its normal annual schedule of CSR audits conducted by its partner SGS in the factories that manufacture its branded products. It continued using the EcoVadis platform to evaluate the documentation of its eligible suppliers. This CSR initiative is fully aligned with the one that aims to counter the risk of corruption and ensure that suppliers are assessed in compliance with the Sapin 2 law (see paragraph 3.4.1.1 "Responsible practices"), the objective being to provide a comprehensive overview of the integrity and probity of suppliers in relation to Bouygues Telecom.

As regards eco-design, Bouygues Telecom has drawn up an assessment questionnaire on the environmental topics most relevant to the telecoms sector, ranging from a complete assessment of a supplier's environmental governance to eco-design, the carbon footprint and a lifecycle analysis of products and services sold to Bouygues Telecom. This questionnaire is now systematically included in calls for tenders, and is appended to a particular clause in the contractual conditions. Bouygues Telecom thus demonstrates to suppliers its aspirations and expectations in relation to these matters, as well as assisting them and raising their awareness of the issue.

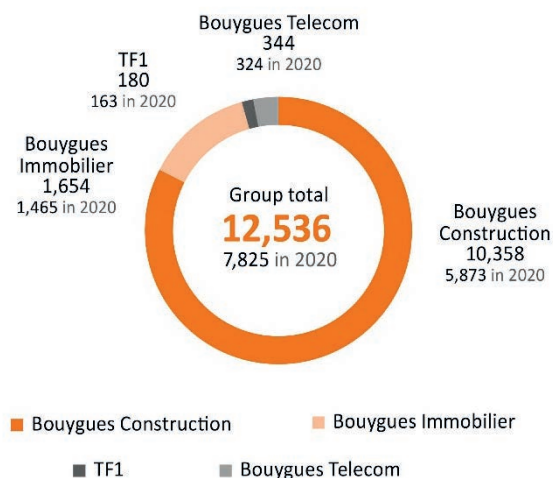
As TF1 firmly believes the strength of its CSR performance is linked to that of its suppliers and subcontractors, it wants to involve its partners with its commitment. A performance assessment of a targeted group of suppliers has to be carried out by an independent third party (EcoVadis), which examines the environmental, social, business ethics and subcontracting aspects. TF1 requires its suppliers to commit to making continuous progress, and encourages those that are identified as at risk (overall score equal to or less than 35 out of 100) to take remedial measures.

Supplier assessment comes under priority area 3 of Colas' commitment to responsible purchasing. Priority area 3 is currently being implemented by means of specific clauses, assessments and supplier audits, to ensure that suppliers are committed to CSR and also evaluate their performance. For example, suppliers involved with calls for tenders relating to fixed assets (capex) have to complete a CSR questionnaire.

A supplier management tool was rolled out in 2021, enabling CSR criteria to be included when assessing and selecting suppliers.

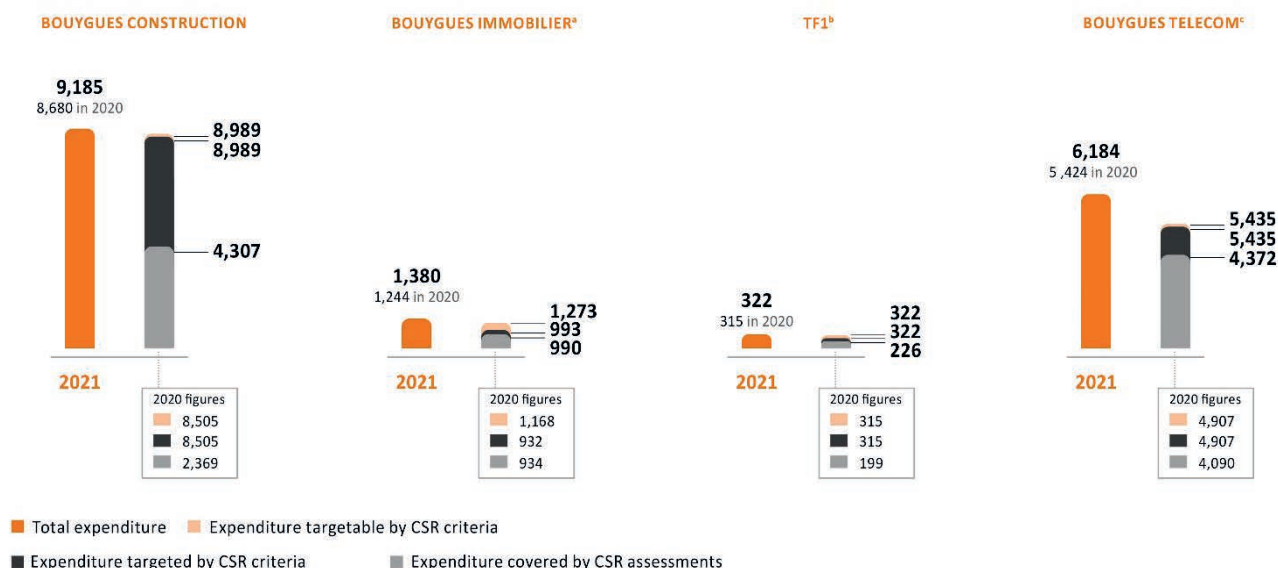
Number of CSR assessments carried out on suppliers and/or subcontractors

over the past two years



Share of business segment expenditure targeted by CSR criteria or covered by CSR assessments

€m



(a) For Bouygues Immobilier, expenditure/costs arising from property sales (rental guarantees and notary fees) and finance charges (GFA and capitalised interest) are not targeted.

(b) For TF1, expenditure relating to the purchasing of programmes is not targeted.

(c) For Bouygues Telecom, expenditure does not include Arcep licences, and expenditure that is “targeted” and “targetable” by CSR criteria excludes leasing and roaming. Following a change in methodology, since 2021 expenditure is based on invoiced amounts and the account posting date. Data for 2020 has been recalculated according to this new method for comparability purposes.

The Group indicators provide a snapshot, based on the overall scope of expenditure, of the proportion that is potentially targetable by CSR criteria and that which is actually covered.

Some types of expenditure (e.g. expenditure relating to rental guarantees, notary fees and financial expense) are labelled as “non-targetable” because CSR requirements cannot be realistically attributed to them.

Furthermore, a distinction is drawn between expenditure that is targeted by CSR criteria and expenditure that is covered by CSR assessments, the latter being more ambitious. On the one hand, CSR criteria include all types of possible action, such as expenditure that is covered by a responsible purchasing policy, contracts with a CSR charter or clause, and suppliers selected with help from CSR criteria and/or having undergone a CSR assessment or audit over the past three years. On the other, the “Expenditure covered by CSR assessments” indicator can be used to assess the initiatives that involve suppliers the most (solely using questionnaires and internal/external CSR audits), thereby potentially giving rise to improvement plans.

Select responsibly sourced products and materials

The Bouygues group’s business segments are also developing policies for identifying more responsibly sourced products and materials, and supporting their development. The steps they take are based on risk analysis and identifying the most appropriate action to take with regard to key purchasing categories and strategic partners.

For example, Bouygues Construction’s commitment to responsible purchasing of all-important timber is reflected in its measures to fight the illegal timber trade, identify and eliminate all sourcing of threatened wood-based products, and increase the proportion of eco-certified timber purchases. The partnership signed with WWF France was renewed in 2021. Priority area 2 of Bouygues Construction’s responsible purchasing commitment involves the inclusion of CSR criteria and requirements in calls for tenders, so that “sustainable” alternatives are proposed. Suppliers are specifically requested to highlight the CSR aspects of their proposals when bidding for tenders relating to fixed assets (capex) or purchases of raw materials (binders, cement or slag, for example). Several programmes were implemented in 2021 in relation to electricity, fuel and the vehicle fleet.

Bouygues Immobilier, as part of its drive to improve air quality in its buildings and reduce pollutants responsible for VOCs (volatile organic compounds), only selects those products whose health labelling is A+. This concerns materials and products, listed in nationwide catalogues, in direct contact with indoor air. Lastly, Bouygues Immobilier reviews all the components of its housing units with a view to reducing their carbon footprint. The company has also rolled out its new Purchasing policy, which involves rigorously selecting partners in accordance with objective criteria as regards quality, cost, deadlines and the degree to which they take CSR into account.

Bouygues Telecom intensified its eco-design efforts in 2021. This took the form of collaborating on co-design with suppliers of its fixed BtoC devices, with the shared objective of reducing the environmental impact of these products:

- by integrating responsibly sourced materials (recycled, halogen-free, etc.);
- by reducing and optimising their energy consumption;
- through product labelling by independent bodies.

Lastly, eco-design is a selection criteria that is systematically included in all calls for tenders.

At the same time, Bouygues Telecom is implementing a purchasing policy for renewable energy. In 2021, the company signed a supply contract containing an integrated power purchase agreement (PPA), which will cover more than 10% of its electricity consumption up to 2024. This will supply 100% renewable electricity, attested to by certificates of origin. Green energy produced from wind and hydro power has been chosen.

Use the disability-friendly and sheltered-workshop sector

The use of companies in the disability-friendly and sheltered-workshop sector, coupled with an effort to broaden the range of activities outsourced to this sector, is a key element of the Group’s responsible purchasing policy (see section 3.2.3.2).

In 2021, Bouygues Telecom continued to train its new buyers on socially responsible procurement. Its objective is to raise their awareness of the challenges facing the disabled and to identify ways to boost purchasing from this sector. Regular purchases have been made from companies in the sheltered-workshop and disability-friendly sector for several years (cleaning, garden maintenance, document printing, passenger transport, electronic document management, technical equipment recycling and reconditioning Bouygues Telecom home gateways).

The socially responsible economy comes under priority area 2 of Colas’ commitment to responsible purchasing. To take one example, an agreement on occupational integration continued in 2021 between the rail subsidiary of the Colas group and a temporary employment agency. Colas is continuing with its efforts to integrate this aspect into its purchasing policy more effectively.

In 2020, Innov&Co, a disability-friendly consultancy company, contributed significantly to boosting procurement from the disability sector by 54%. This is the result of Purchasing approving three partners for intellectual IT services.

Lastly, TF1 has been committed to promoting the occupational integration of people with disabilities for more than a decade. The signature of the *Manifesto for the occupational integration of people with disabilities* at the end of 2019 gave a boost to the group purchasing department’s action plan, excluding TV programmes: incorporation of social criteria relating to inclusion and disability in all calls for tenders; where the type of purchase allows, a social clause may also be implemented and compliance with social responsibility may be defined as a criterion for candidates’ admissibility.

Responsible purchasing and meeting payment deadlines

The Group’s business segments uphold responsible purchasing principles in accordance with the pledges set forth in the Bouygues “Conflicts of interest” compliance programme. This commitment is also enshrined and promoted in codes of ethical conduct followed by buyers at Bouygues Construction, Colas, TF1 and Bouygues Telecom, and by Bouygues Construction’s signature of a charter for major accounts and SMEs as well as the SME Charter. The Bouygues group’s worker health & safety requirements at its locations apply equally to employees, subcontractors and suppliers (see section 3.2.2).

In 2018, TF1 was again awarded the “Supplier Relations & Responsible Purchasing” label, backed by ISO 20400, for a further three years. This label – which is the only one awarded by public authorities in this area – recognises companies that have demonstrated sustainable and fair relationships with their suppliers. The award affirms the continuation and implementation of the ten commitments for responsible purchasing

defined in the Responsible Supplier Relations charter. An in-house ombudsman (mediateur@tf1.fr) can be contacted directly by suppliers and subcontractors. Meeting payment deadlines was identified as an important objective by all business segments. The move to paperless billing was accelerated. As a result, the proportion of electronic billing achieved by the top 200 suppliers, under the responsibility of Bouygues Construction's purchasing department, reached 97% by the end of 2021. In 2021, Colas continued the digitisation of the expenditure commitment process, which included moving over to paperless billing and payments in order to simplify the process, speed up administrative tasks and reduce payment deadlines.

Lean management initiatives were conducted in several Bouygues Construction entities (Bouygues Maroc, Bouygues Travaux Publics, Bouygues Energies & Services and Bouygues Bâtiment Ile-de-France) to improve payment times for suppliers and business partners. TF1 undertook to cut the percentage of overdue invoices by half between 2018 and 2023. It has enlisted the support of its Executive Committee and implemented related action plans, such as simplifying the ordering process. It is also continuing with its action plan: speeding up the digitisation of the ordering and settlement process; continuing the move to electronic billing; and, lastly, strengthening measures to facilitate dialogue with and support for operational employees.

The idea of automatically sending order numbers to suppliers for them to include on their invoices is currently being considered. TF1 published its invoicing charter (available on its corporate website) in 2021. Its aim is to share best practice and facilitate the exchange of administrative information with its supplier partners.

Colas strives to ensure that the vast majority of its purchases are made locally, including aggregates, vehicle rental with driver, worksite subcontracting and equipment maintenance. Bouygues Construction aims to continue to make a high proportion of purchases from local businesses in order to promote the development of the areas in which it operates. For France, this rate stood at 95% at the latest count. This is also a prerequisite for obtaining the in-house TopSite label. Bouygues Telecom uses companies with a strong regional presence to roll out its networks (fixed, mobile and transport).

As well as communicating its policy on business ethics and referring to its guide on this subject, Bouygues Telecom regularly trains its employees on the correct behaviour to adopt in order to combat corruption, influence peddling, favouritism and anti-competitive practices. Training courses on these topics were delivered in 2021. In addition, all buyers were made aware of the fundamental principles relating to contracts.

3.5 INFORMATION PUBLISHED IN CONNECTION WITH THE TAXONOMY REGULATION (EU) 2020/852

This section contains the disclosure obligations under the EU Taxonomy Regulation ("Green taxonomy"), namely the proportion of sales, capital expenditure ("CapEx") and operational expenditure ("OpEx") that is eligible with this European regulation, more commonly referred to as "taxonomy".

These figures are for the 2021 financial year, without comparative information, and relate to two of the six environmental objectives, i.e. climate change mitigation and climate change adaptation.

The taxonomy information published in this SNFP chapter is excluded from the scope of the Independent Auditor's review in this first year of reporting but was submitted to the Statutory Auditors when carrying out their specific checks of the management report in relation to the financial year to 31 December 2021.

3.5.1 Sales

The total sales figure used is €37,589 million and corresponds to the amount in the Group's consolidated income statement, as shown chapter 6.1 of the 2021 Universal Registration Document. The percentage of Group sales that is eligible with the taxonomy is 35%.

For the 2021 financial year, the breakdown by sector of activity is as follows: the percentage of eligible sales is 47% for the Group's construction businesses and is 1% for its media and telecoms activities.

Eligible sales

Eligible sales in 2021 amount to €13,330 million and essentially covers the following activities:

- Construction and property development (new build and renovation), as well as rail infrastructure.

These ratios do not reflect the pledges made at the Climate Markets Day held in December 2020 or the resources earmarked by the Group for the climate, which are described in the Integrated Report and in paragraph 3.3.2.2 of this Universal Registration Document.

The ratios for sales, CapEx and OpEx relate to the Group as a whole as well as to its construction businesses and media and telecoms activities. The methodology described below and the eligibility analysis are based on texts published by the European Commission up to 31 December 2021; they are liable to be revised in accordance with new texts and interpretations that are currently being prepared by the European institutions.

- Road, waterway and airport infrastructure, of which only low-carbon infrastructure (such as pedestrian schemes, cycle paths and electric vehicle charge points) is eligible.
- Some Energies & Services activities (production and storage of renewable energies), and water and energy transport infrastructure (Spac at Colas).
- TF1's activities relating to production, broadcasting, content programming and live shows, for which sales are calculated with reference to the associated advertising revenue.
- Data centre construction and data hosting for Bouygues Telecom.

All these activities aim for climate change mitigation with the exception of TV programmes at TF1, which are eligible only when they make a substantial contribution to raising awareness of climate change adaptation. Without this condition, TF1's eligible sales would be 90% instead of 4%.

The sales eligibility ratios for the Group's construction businesses are 75%, 100% and 13% for Bouygues Construction, Bouygues Immobilier and Colas respectively.

Non-eligible sales

The non-eligible portion of sales amounts to €24,259 million, which relates to the following activities:

- Those described in the Delegated Acts, but which are not eligible for sales, which come to €9,527 million in 2021. This applies especially to Bouygues Construction and Colas, in respect of their infrastructure not

used for low-carbon transport, such as road, waterway and airport infrastructure.

- Those not described in the Delegated Acts such as activities relating to the storage and transport of fossil fuels, quarrying, the construction of infrastructure for the production of nuclear energy or gas, the purchase and resale of bitumen, or, at Bouygues Telecom, activities relating to fixed and mobile networks (particularly 4G and 5G). These activities represent sales of €14,732 million in 2021, of which €660 million for nuclear and gas (equivalent to 2% of Group sales), for which a draft Delegated Act to make these activities eligible was proposed by the European Commission on 31 December 2021.

3.5.2 Capital expenditure (CapEx) and operational expenditure (OpEx)

The total CapEx figure corresponds to the increase in the gross value of property, plant and equipment and intangible assets and of the right of use of leased assets, and includes companies newly consolidated in the financial year such as Destia, now part of Colas, and Izen, which is now part of TF1. These investments are presented in Note 3.1.2 to the consolidated financial statements and come to €3,132 million in 2021, of which 24% relates to eligible activities.

The OpEx figure relates mainly to short-term leases and to leases of assets with a low as-new value. This expenditure also includes costs relating to research and development, maintenance and repairs, and building renovation. Although obtained from the accounting system, these expenditure figures are not directly visible in the reported consolidated accounts. They come to €1,490 million for 2021, of which 63% relates to eligible activities.

The activities that are eligible for sales are also eligible for the related CapEx and OpEx. In terms of the road, waterway and airport infrastructure that are not eligible in terms of sales, capital and operating expenditure is eligible if it relates to the aim of climate change adaptation. This explains the

discrepancy for the construction businesses between the eligible percentage of sales and the eligible percentage of CapEx and OpEx.

Some individual (CapEx/OpEx) expenditure relating to the head offices and buildings (energy renovation and renewable energy) have also been deemed eligible.

Eligible CapEx for FY 2021 amounts to €749 million. This figure is €733 million for the construction businesses, equating to an eligibility ratio of 71%. The eligibility ratios for CapEx for the construction businesses are 82%, 0% and 67% for Bouygues Construction, Bouygues Immobilier and Colas respectively. For the Group's other activities, eligible CapEx in FY 2021 amounts to €16 million, equating to an eligibility ratio of 1%. The eligibility ratios for CapEx are 3% pour TF1 and 0% for Bouygues Telecom respectively.

Eligible OpEx for FY 2021 totals €941 million. It is €936 million for the construction businesses, equating to an eligibility ratio of 74%. The eligibility ratios for OpEx at the construction businesses are 79%, 100% and 72% for Bouygues Construction, Bouygues Immobilier and Colas respectively. For the Group's other activities, eligible OpEx in FY 2021 amounts to €5 million, equating to an eligibility ratio of 2%. The eligibility ratio is 2% for Bouygues Telecom and 0% for TF1.

3.5.3 Observations and outlook

Analysis of the initial criteria for Taxonomy-eligibility based on Climate-related objectives shows a high prevalence of the construction businesses. For example, the eligible part of sales, CapEx and OpEx at the Group's construction businesses (construction, new build and renovation, as well as rail infrastructure) is higher than that of the media and telecoms activities. This is because the taxonomy considers the construction businesses to be a priority for the acceleration of the transition towards a more sustainable economy, rather than the Group's media and telecoms businesses.

These analyses were performed at Group and business segment level, under the direction of a steering committee comprising the Finance department (consolidation, management control, financial communication), the Sustainable Development-QSE department and their related units.

In 2022 further analyses will be performed, measuring the Taxonomy alignment of the eligible activities concerned with the objectives of climate change mitigation and adaptation. At the same time, work will be carried out to ensure that reporting data, which is currently obtained in the manner described below, can as far as possible be extracted more easily from the accounting systems. If the Group is successful with its plan to acquire Equans, which operates in areas that play a key role in the ecological transition, the proportion of its eligible sales should increase. This acquisition is expected to be completed in the second half of 2022.

3.5.4 How the ratios are calculated

The data relating to the sales, CapEx and OpEx eligible for Taxonomy are extracted from consolidation and management data. Where the latter are not available in sufficient detail, the following methods are applied:

- In order to determine eligible sales at TF1, the proportion of eligible TV programmes was worked out by measuring the proportion of programmes on the environment or the ecological and climate transition as compared with all the programmes broadcast between 6am and midnight. This comes to 4%.
- To determine eligible CapEx at Bouygues Construction, Colas (excluding Colas Rail, which tracks this expenditure separately) and TF1:
 - the CapEx on activities eligible for sales was calculated on the basis of the percentage of eligible sales;
 - the CapEx associated with the activities described in the Delegated Acts but not eligible for sales was calculated at Colas on a pro rata basis by measuring the proportion of CapEx spent at the roads activities as compared with total CapEx excluding rail activities, and
 - the CapEx associated with the acquisition of Destia was calculated pro rata based on the full-year sales of the eligible activities.
- To determine eligible OpEx at Bouygues Construction and Bouygues Immobilier, the percentage of eligible sales was applied to all the taxonomic OpEx.
- To determine eligible OpEx at Colas, the OpEx on maintenance at the international roads activities was extrapolated from the figure for the roads activities in France on the basis of their relative sales.

3.6 INDEPENDENT VERIFIER'S REPORT ON THE CONSOLIDATED STATEMENT ON NON-FINANCIAL PERFORMANCE PRESENTED IN THE MANAGEMENT REPORT (YEAR ENDED 31 DECEMBER 2021)

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Assembly,

In our quality as an independent third party, accredited by the COFRAC under the number n° 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of your entity (hereinafter "entity"), we conducted our work in order to provide a conclusion expressing a limited level of assurance on the compliance of the consolidated non-financial statement for the year ended on the 31 December 2021 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (*Code de commerce*) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the management report document pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

1. Limited assurance report on the compliance and fairness of the Information

Conclusion

Based on the procedures performed, as described in "Nature and scope of the work", and on the elements we have collected, we did not identify any material misstatements that would call into question the fact that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement (or available on the entity's website).

Limitations inherent in the preparation of the Information

The information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used.

Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The entity's responsibility

It is the responsibility of the Board of Directors to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied regarding these risks as well as the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- and to implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's procedures as described above.

Responsibility of the independent verifier

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (whether observed or extrapolated) provided pursuant to Article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes of policies, including key performance indicators, and the measures implemented considering the principal risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements, in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of vigilance law and anti-corruption and tax avoidance legislation;
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000 (revised).

Independence and quality control

Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with applicable legal and regulatory requirements, ethical requirements and French professional guidance.

Means and resources

Our verification work mobilized the skills of twelve people and took place between July 2021 and February 2022 on a total duration of intervention of about twenty-five weeks.

We called upon our specialists in sustainable development and social responsibility to assist us in our work. We undertook around thirty interviews with the people responsible for the preparation of the Statement representing, in particular, the following departments: senior management, administration and finance, innovation, human resources, health and safety, environment and purchasing.

Nature and scope of the work

We planned and performed our work considering the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of human resources and environmental information set out in Article L. 225-102-1 III of the French Commercial Code as well as compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and outcomes, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance

indicators used, with respect to the principal risks and the policies presented;

- corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. Work was carried out at the level of the business consolidating entity and in a selection of entities listed below: Newen, Colas USA, Simon Contractors, Sintra, Colas Maroc, Colas Territoire Ouest, Construction Privée, Plan Group, Kraftanlagen Munchen, Europe Afrique Amérique et Singapore.
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - at the level of the two most contributing business segments in terms of environmental and human resources impacts (Colas and Bouygues Construction), tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities listed above and covers on average 22% of the consolidated data selected for these tests (namely 21% of sales, 15% of the workforce, 21% of total greenhouse gas emissions, 17% of hours worked);
 - at the level of TF1, we carried out detailed tests with the Newen entity and TF1 headquarters, which cover 78% of the workforce in the business segment;
 - at the level of the two other business segments (Bouygues Immobilier and Bouygues Telecom), supporting documents available at headquarters cover most of the activities;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

2. Reasonable assurance report on the Selected information

Conclusion

In our opinion, the Selected Information has been established, in all material respects, in accordance with the Guidelines.

Responsibility of the independent verifier

It is also our responsibility to express, at the entity's request and outside the scope of accreditation, a reasonable assurance that the information selected by the entity and identified by the * symbol in Annex 1 (hereinafter the "Selected Information") has been prepared, in all material respects, in accordance with the Guidelines.

Nature and scope of the work

Concerning the Selected Information chosen by the entity and identified by the * symbol in Annex 1, we carried out work of the same nature as those described in paragraph 1 above for the key performance indicators and other quantitative results that we considered the most important, but in greater depth, in particular with regard to the scope of the tests.

The selected sample thus represents between 51% and 100% of the Selected Information.

We believe that this work allows us to express a reasonable assurance on the Selected Information.

Paris-La Défense, 23 February 2022

Independent Verifier

E&Y & Associés

French original signed by:

Éric Mugnier

Partner, Sustainable Development

Annex 1: Information considered the most important

HUMAN RESOURCES INFORMATION

Quantitative information (including key performance indicators)	Qualitative information (actions or results)
Total headcount	The results of the Health and Safety at work policy
Percentage of women in the headcount at TF1	The results of the policy to promote diversity and equal opportunities
Percentage of women managers (all business segments except TF1)*	The results of the skills development and talent management policy
Percentage of women on the TF1 Management Committee*	
Percentage of women in senior positions (or in similar grades at the international activities) at Bouygues Construction*	
Percentage of women in executive bodies at Bouygues Immobilier and Colas*	
Percentage of "High-flyer" women managers at Bouygues Immobilier*	
Frequency rate of workplace accidents among staff*	
Severity rate of workplace accidents among staff	
Number of fatal accidents among staff	

ENVIRONMENTAL INFORMATION

Quantitative information (including key performance indicators)	Qualitative information (actions or results)
Total greenhouse gas emissions (scope 1 to 3a)	The Climate strategy
Percentage of staff having received training on low carbon issues*	Share of renewable energy at Bouygues Telecom
Number of housing units carrying the BiodiverCity Ready label or covered by a commitment to obtain it	Certifications and labels at Bouygues Construction
Number of building projects with the BiodiverCity label	The circular economy at Bouygues Construction and Colas
Percentage of projects taking measures in favour of biodiversity	Roll-out of the TopSite label
Share of aggregates production sites working to promote biodiversity as a % of sales before inter-company eliminations	Environmental value-added content at TF1
Materials production activities that use a tool to manage environmental impacts (environmental certification and/or Colas checklists) as a % of sales before sales before inter-company eliminations	Responsible advertising at TF1
Sales covered by an ISO 14001-certified EMS	
Quantity of recycled materials	
Percentage of asphalt pavement recycled in order to reclaim bitumen*	
Proportion of non-hazardous waste that is recycled (not disposed of in landfill)	
Percentage of recycled non-hazardous waste	
Percentage of spoil recycled	
Buildings in the annual order intake with a commitment to environmental labelling or certification prescribed by Bouygues Construction	
Number of handsets collected for recycling or re-use*	
Total electricity consumption (in GWh)	

SOCIAL INFORMATION

Quantitative information (including key performance indicators)	Qualitative information (actions or results)
Materials production sites working to promote dialogue with local communities as a % of sales before inter-company eliminations	Responsible purchasing
Percentage of purchases from local businesses at Bouygues Construction	Business ethics at Bouygues Construction
Number of partnerships during the year supporting integration, education and healthcare	The compliance of news/current affairs programmes with ethical and deontological commitments, in particular compliance with commitments made to the CSA (the French broadcasting authority) at TF1
R&D budget spent on CSR	Content with added social value at TF1
Audits of at-risk suppliers	Protection of minors at Bouygues Telecom

RISKS AND RISK MANAGEMENT **4**

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4.1 RISK FACTORS

This section describes the principal risks to which the Bouygues group believes it is exposed, and which, if they materialise, could have an adverse effect on its operations, financial position, reputation, future prospects, or stakeholders.

These risks are described separately for each sector of activity. Within each category, risks are presented in declining order of importance. The importance of each risk is determined at 31 December 2021, according to an assessment that takes account of their estimated impact and probability, after factoring in the measures taken to manage these risks.

In addition, other risks may exist or arise that have not been identified at the date of this document, or that are not regarded at that date as likely to have a significant adverse effect if they materialise.

Risks that are not mentioned in this document because they are currently regarded as being of low importance are nonetheless factored into the risk management procedures operated within each of the Bouygues group's

business segments. For a description of the Group's principal internal control and risk management procedures, refer to section 4.4 of the present document.

The Group has assessed the risk posed by the Covid-19 pandemic in 2022 and has paid special attention to the potential impacts on its business activity. Based on currently available data and on the way it adapted to the pandemic in 2020 and 2021, it has decided not to factor this risk into the mapping shown below. Nonetheless, the Group continues to keep a close eye on the situation.

Finally, Bouygues has very little activity in Russia or Ukraine and is therefore not directly impacted by the ongoing conflict. In 2021, Bouygues generated sales of €123,000 in Russia and of €24,000 in Ukraine. Nonetheless, the Group remains very vigilant regarding this changing situation and the consequences of the conflict for the world economy and financial markets.

Category	Risk	Impact ^a
Construction businesses	Operational risks on major projects or on major transactions	■ ■
	Erosion of skills and appeal	■ ■
	Risks associated with cycles in the property market	■
Media	Risk of leadership premium erosion	■
	Risks related to the emergence of new players and behaviour	■
Telecoms	Competitive environment and market trends	■ ■
	Continuity of service	■ ■
	Risks related to current and future telecoms regulations	■
	Effects of electro-magnetic waves	■
Bouygues SA/Group	Impairment in value of equity holdings	■
	Erroneous choice of business segment CEO	■
	Cybersecurity	■
	Compliance with the law and regulations	■
	Risks associated with climate change	■
	Systemic risks	■

(a) Estimated impact and probability of occurrence, on a scale of 1 (■) to 2 (■ ■), from moderate to significant importance.

4.1.1 Construction businesses

4.1.1.1 Operational risks on major projects or on major transactions

The complexity, size and duration of the projects undertaken by Bouygues Construction and Colas may expose the Group to risk both in studies and design, and in the execution phase.

If such risks materialise, they may lead to various cost overruns (repair works, penalties, etc.), litigation and significant losses for the Group, as well as damage to its brand image.

Bouygues Construction and Colas both have specific organisational structures in place to ensure maximum control over project studies, design and execution.

Likewise, the complexity and size of certain projects and the participation of stakeholders may expose Bouygues Immobilier to difficulties in obtaining the building permits required for the smooth progress of works. If such risks materialise, they may lead to the project being abandoned, the loss of study costs, significant cost overruns and losses for the Group.

Bouygues Immobilier has specific organisational structures in place to ensure maximum control over such major projects.

Internal audits are regularly conducted on major projects to obtain assurance of adequate control over emerging risks.

4.1.1.2 Erosion of skills and appeal

The activities of Bouygues Construction and Colas are dependent on the skills, know-how, dedication and expertise of their employees, especially as regards the delivery of construction projects.

After a pause in 2020, the jobs market for managers and engineers is once again very tight and the construction businesses must also meet the expectations of new generations of workers in terms of empowerment, digitalisation, flexibility and remuneration.

So the risk is that those companies may be unable to attract and retain the most suitable people in terms of their know-how and/or potential; to train and build the skills of its employees effectively or to allocate resources appropriately.

This risk is heightened, on the one hand, by the fact that ambitious infrastructure programmes are being developed in certain geographies in short times and, on the other, by the highly seasonal nature of business activity in some areas of the world. This increases competition in the jobs market for certain very sought-after professions.

If this risk were to materialise, it would:

- reduce the overall level of expertise within the segments involved, potentially weakening their market position;
- make it difficult to plan the availability of certain resources, leading to internal disruption;
- impair the quality and lead times of project design and/or execution, leading to cost overruns, and
- adversely affect the image and reputation of the segments involved.

Preventive and corrective measures are applied. These relate to spotting skills and talent, providing training and support to management, and to highlighting the appeal of the construction sector (developing the brand with potential recruits, presence on social media, continuation and/or creation of academic partnerships worldwide, boosting of apprenticeships etc.).

4.1.2 Media

4.1.2.1 Risk of leadership premium erosion

The performance of TF1 depends partly on its ability to offer premium TV programmes in order to maintain its leadership in audience ratings and its share of the advertising market, in both linear and non-linear TV. Consequently, the loss of key programmes represents a risk in terms of reduced audiences, and of reduced capacity to monetise those audiences.

Thanks to the talent of its artistic staff, and to its long-standing special relationships with French and foreign partner producers and distributors, TF1 still currently has access to most of the best programmes available on the French market. Future programming streams are locked in via multi-year contracts with the biggest producers, reducing the risk of loss of key programmes in the medium and/or long term.

TF1 is also keen to diversify its sources of supply by acquiring alternative programme content outside its long-standing agreements and by getting involved as far upstream as possible in the creative process through format licences, participation in developments and pre-financing of programmes, and to explore new forms of partnership with the major platforms.

(a) Subscription Video-on-Demand.

For more information, see section 3.2 “Human resources information” in this present document.

On top of this, the Group regularly carries out surveys amongst its people across the globe to better understand and manage its risks stemming from labour relations, staff turnover, well-being in the workplace (psychosocial risks), skills management, and recruitment.

4.1.1.3 Risks associated with cycles in the property market

The property activities of the Bouygues group are exposed to external economic factors, and to risks associated with the cyclical nature of property markets. Fluctuations in the property market and in the broader economic situation can have a significant impact on operations and profitability, the consequences of which – whether negative or positive – do not flow through immediately into financial results, due to the time required to complete projects.

Factors that can affect the property market include:

- international and domestic economic conditions, namely trends in inflation, interest rates and purchasing power, all of which exert a strong influence on the residential property market;
- hesitation by investors and tenants on the commercial property market, related to changes in working methods and the increased level of teleworking;
- the difficulty in obtaining building permits from local authorities which impacts the ability to carry out property development programmes, and
- sales, which may also be significantly impacted by changes in administrative measures and in tax policies affecting segments of the property market. In France, incentives for first-time home buyers and tax breaks for buy-to-let investors are a particular issue: the Pinel buy-to-let incentive scheme will be changing from January 2023 and this could cause disruption in the new build market.

4.1.2.2 Risks related to the emergence of new players and behaviour

TF1 operates in a constantly changing competitive environment.

There has been a decline in the amount of time spent watching traditional linear television (a fall in the daily viewing time per individual) due to increased consumption of non-linear TV (connected TV and video content on smartphones and tablets), the boom in internet video and, above all, the market share taken by SVOD^a operators such as Netflix, Amazon Prime, Disney+ and OCS.

In 2020, the increase in television consumption, in a context marked by health restrictions and lockdowns, turned out to be temporary, and, therefore, following the recovery in the second half of 2021, the downward trend seen before 2020 continued.

Against this backdrop of falling daily viewing time per individual, TF1's rating figures have nonetheless held up well.

In addition to audience fragmentation, the proliferation of players could generate inflationary pressure in the rights market, particularly for high-profile, appealing content such as drama series.

In this context, TF1 is focusing on consolidating its market leadership position by:

- building a comprehensive offering based around its free-to-air channels and through its powerful programming schedule;
- staking out a position as a major DTT player with its portfolio of four complementary TV channels (TMC, TFX, TF1 Séries Films and LCI)
- optimising the acquisition of programmes for its premium TF1 TV channel, its DTT channels and its AVOD^a platform by adopting a cross-disciplinary organisational structure that provides the best fit between

4.1.3 Telecoms

4.1.3.1 Competitive environment and market trends

Bouygues Telecom sells its products and services exclusively in the French market. France is a mature market, where in recent years competition has been particularly fierce in both the B2C and B2B segments.

Very intense competition in mobile and fixed prices could have a negative impact on the results expected by Bouygues Telecom in a market that requires major investment in terms of infrastructure and frequencies.

In addition, Bouygues Telecom has sought to extract value from its services and differentiate itself from the competition by positioning itself as a trusted operator, thanks to excellent customer support and the coverage and quality of its superfast mobile and fixed broadband networks. The success of this strategy depends on Bouygues Telecom's ability to retain its positioning and reputation as a trusted operator, especially through capacity improvements to its 4G network and the roll-out of its 5G services, particularly in the less densely populated areas of the country. If the company fails to do so, and if there is a perception by consumers that Bouygues Telecom's coverage is significantly worse than that of its competitors, it could be exposed to negative impacts on its financial results, its operations and its image.

4.1.3.2 Continuity of service

Service interruption, or a deterioration in service quality, may be caused by technical equipment breakdown, an on-site incident affecting the network or information systems or complex equipment upgrades.

Such incidents could have a negative impact on the company's image and financial results.

Bouygues Telecom addresses these risks through:

- security measures at key sites including restricted access, fire prevention, air conditioning, power supplies, etc.;

(a) Advertising Video on Demand, a VOD service financed by advertising and therefore free to the subscriber.

(b) The French Agency for IT Systems Security.

each TV channel's needs and programme purchases on the one hand, and acquiring, exploiting and circulating acquired rights (subject to the TF1 group's undertakings) on the other;

- tightening its control over the value chain by using its in-house production subsidiaries TF1 Production and Newen for part of its programme output, and
- positioning its MYTF1 platform as a key digital player in the French media sector, by offering a wide range of catch-up TV content but also by developing exclusive content and complementary programmes that have broad appeal (AVOD, streaming, etc.).

Personalising the TV viewer's experience also extends to advertising, via initiatives in targeted advertising as already practised on digital platforms.

Finally, in line with the ongoing process of adapting TV audience ratings metrics to the new media landscape, which began in 2011, the measurement of audience share is to be enhanced, by 2024, with the inclusion of live and catch-up TV in the home on three different types of screen: computers, tablets and smartphones.

- a business continuity plan for critical mobile and fixed-line technical systems, maintained in a state of operational readiness at all times;
- training, and a crisis management plan, based on keeping certain employees on call in order to ensure a fast, co-ordinated response to major incidents, and
- cooperating with the authorities in suppressing acts of vandalism against its telecoms sites.

The company also carries out regular crisis simulation exercises. Regular audits of these procedures are commissioned, in conjunction with Anssi .

4.1.3.3 Risks related to current and future regulations

Bouygues Telecom operates in a highly regulated sector and is subject to many French and European regulations in areas such as electronic communications, data protection, compliance, and consumer protection.

The company may become subject to new domestic and European regulations, putting additional constraints on its operations.

Bouygues Telecom cannot rule out the possibility that new regulations could expose it to the kinds of risk associated with any project, including delays or difficulties in implementation.

Dedicated project teams are working to identify the impacts of these regulations and determine the necessary courses of action.

4.1.3.4 Effects of electro-magnetic waves

Exposure to electro-magnetic waves is an issue of ongoing concern in France, due to lobbying by various organisations.

An increased perception of health risk on the part of consumers - especially on the rollout of the 5G network - could have various adverse impacts such as reduced usage per customer, shrinkage of the customer base, and increased leadtimes and/or costs in installing and operating sites. In its definitive report published in February 2022, Anses^(a) concluded that there were no new risks for health posed by the roll-out of 5G in the 3.5 GHz

frequency band. Even so, certain local anti-5G moratoriums continue to exist and there remain a few 5G-related legal disputes.

Bouygues Telecom has had a team dedicated to this issue ever since the company was founded. This team is responsible for ensuring that the regulations are rigorously applied, and for carrying out a conscientious risk assessment based on collective experience. Bouygues Telecom contributes to independent research, and releases all of its scientific publications on this subject

4.1.4 Bouygues SA/Group

4.1.4.1 Risk of impairment in value of equity holdings

The principal risk facing Bouygues SA as the parent company of a diversified group is a significant impairment in the value of one or more of its equity holdings. As required by accounting standards, the main equity holdings are tested for impairment at least once a year.

4.1.4.2 Erroneous choice of business segment CEO

Since the Bouygues group is comprised of five business segments that enjoy genuine autonomy, the choice and renewal of their CEOs can expose it to risks relating to this type of decision.

4.1.4.3 Cybersecurity

Cyberattacks on networks and information systems can have a variety of impacts, including:

- information systems becoming unavailable resulting in disruption or a complete shut-down of activity;
- disclosure of sensitive data, in particular private data relating to customers; and/or
- interruption of certain services such as a slowdown in order intake, delays in execution, difficulties for customers in connecting to the telecoms network, and disruption to in-store sales or to customer relations services.

If a cyber-attack were to occur, the company would be exposed to potential negative impacts on its financial results, its operations and its image.

To protect themselves, each business segment has set up a security policy adapted to its specific risks. This policy is regularly updated and reinforced. It is based on the following:

- access controls to information systems;
- permanent anti-intrusion systems;
- a monitoring system to detect security incidents;
- the boosting of cybersecurity measures, both at the Group and business-segment level (appointment of local officers) and the roll-out of dedicated resources;
- regular campaigns to raise security awareness among the company's employees, suppliers and partners, and
- response and back-to-work plans

Internal and external audits are also carried out annually in order to ensure that IT security arrangements are fit-for-purpose. Each business segment has specific cyber-risks insurance policies in place.

4.1.4.4 Compliance with the law and regulations

The Bouygues group's business segments are present in many different countries and are subject to a variety of constantly changing laws and regulations, particularly in the areas of competition law, anticorruption legislation, export restrictions and embargoes, data protection measures, environmental law, and regulations relating to the health and safety of employees.

Non-compliance by the Group with the laws and regulations to which it is subject, in the countries where it operates, whether in France or abroad, may result in different types of sanctions, fines or other types of penalty that might have an adverse effect on the Group's activity, sales, results and reputation.

More specifically, the construction businesses are exposed to risks relating to breaches of ethics given the international nature of its projects, the high proportion of public procurement contracts and the number of people involved in operations, in both the commercial and operational phases.

Furthermore, the activities of certain business segments, such as Bouygues Telecom and TF1, are highly regulated, which means they have to adjust continually to changes within their respective sectors.

The Group has published specific compliance programmes and run campaigns to raise awareness amongst employees to comply with laws and regulations. All employees the most exposed to these risks receive regular training. It is enhancing the expertise of its legal teams who work at Group-wide and business-segment level to provide advice to operational staff. Finally, the Group systematically takes disciplinary action against any compliance breaches.

4.1.4.5 Risks associated with climate change

The consequences of climatic disturbances (higher temperatures, drought and floods, coastal erosion, rising sea levels, etc.) may impair the resilience of more and more infrastructure. The greater incidence of heatwaves and extreme weather events (hurricanes, floods, fires, etc.) is disrupting execution on some projects, with impacts on productivity, operating costs and insurance premiums.

The geographies most exposed are North America (Canada and US), the Indian Ocean region, the Caribbean-French Guiana zone and Australia. If

(a) The French Agency for Food, Environmental and Occupational Health and Safety.

this type of risk were to materialise, it would lead to activity being interrupted in production sites in the geographies concerned (due to a cyclone in the Indian Ocean, for example) or to a shortened season during which activity could be carried out (e.g. the length of winter in Canada).

In addition, the production and building processes associated with the construction businesses, and the use of the assets and infrastructure constructed, as well as their eventual deconstruction, generate greenhouse gases. Given the Paris Agreement objective of keeping the rise in temperature by 2100 below 1.5°C, Bouygues is also exposed to transition risks, in other words risks relating to the consequences of transitioning towards a lower-carbon business model. These include:

- **carbon taxation:** the adoption of a carbon border adjustment mechanism could have financial impacts such as increased taxes and higher costs for high grey energy materials, the obligation to acquire emissions rights and greater project operating costs.
- **supply risks:** the highly carbon-intensive nature of the extractive industries and building materials manufacturing sector means they are having to adapt, and is affecting the cost of access to some primary raw materials such as petroleum products, sand and metals. Delays or interruptions in supply, and fluctuations in the cost of such raw materials, potentially have direct and indirect financial impacts for the construction industry.
- **regulatory requirements** intended to replace some existing techniques with solutions that generate fewer greenhouse gas emissions. Failure to

anticipate developments in this area could lead to a drop in demand for certain products and services offered by Bouygues.

In addition to developing techniques and materials that protect existing infrastructure and scaling new infrastructure projects to cope with a broader range of climate scenarios, the Group is also focusing on adjusting its business model to the observed changes, since the latter may represent as many opportunities as they pose risks.

In particular, the Group's business segments are working to factor in and counter all those risks by developing circular economy solutions and adopting sustainable construction strategies: low-carbon buildings and purchasing, active and passive energy efficiency in both renovated and new buildings, creation of eco-neighbourhoods, developing partnerships and commercial solutions to promote soft mobility, etc. Our priorities, and the main initiatives taken as part of our Climate strategy, are described in Chapter 3 of this document (section 3.3 Environmental information).

4.1.4.6 Systemic risks

As illustrated by the Covid-19 pandemic in 2020, the Bouygues group is exposed to various systemic risks. When faced with such risks, which are by nature unforeseeable and may be of different kinds (pandemics, natural disasters, etc), the Group relies upon the quality of its employees' dedication and continual upgrades to its crisis management systems.

4.2 CLAIMS AND LITIGATION

Bouygues group companies are involved in a variety of litigation and claims in the normal course of their business. Risks are assessed on the basis of past experience and analysis by the Group's in-house legal departments and external counsel. To the company's knowledge, there is at present no exceptional event, dispute or claim likely to have a substantial negative impact on the business, assets and liabilities, results or financial structure

of the Group as a whole. Disputes and claims are subject to regular review, especially when new facts arise. The provisions recorded in the financial statements appear to be adequate in light of these assessments. The Group uses all legal means to defend its legitimate interests. Details about which claims are or are not covered by provisions have not been disclosed, since such disclosure might affect the outcome of some ongoing claims.

4.2.1 Bouygues Construction

4.2.1.1 France: Île-de-France Regional Authority Contracts

Following a Competition Council (now the Competition Authority) ruling on 9 May 2007, the Île-de-France Regional Authority filed a compensation claim in 2008 for losses it claimed to have incurred as a result of the anti-competitive practices by construction companies in connection with the award of public works contracts for the renovation of secondary school buildings in the region.

As the Conflicts Court decided on 16 November 2015 that this dispute came within the jurisdiction of the Administrative Courts, the Île-de-France Regional Authority seized the Paris Administrative Court on 28 March 2017, with claims for damages for each school, and for all jointly liable defendants to *jointly and severally* pay an indemnity of 16.4% of the price paid for each secondary school.

The Paris Administrative Court ruled that the indemnity claims were barred by limitation in several judgements dated 29 July 2019. The Île-de-France Regional Authority lodged an appeal against these judgements in October 2019.

On 19 February 2021, the Administrative Court of Appeal ruled that the action for liability by the Île-de-France Regional Authority was not barred by limitation and ordered an Expert's appraisal with the option of the Expert carrying out a mediation.

The relevant companies in the Group lodged an appeal to the *Cour de cassation* (French Supreme Court) on 19 April 2021 against the judgement of the Administrative Court of Appeal.

4.2.1.2 Singapore: Centennial Tower

This litigation results from panels falling off, in 2004, and then 2011, the façade of the Centennial tower, which was handed over in 1997.

On 3 July 2019 the Singapore Court of Appeal upheld the first instance judgement ordering Dragages Singapore to pay the repair costs for all the cladding of the tower's façade. This judgement is not open to appeal. The quantum still has to be assessed by the Singapore court.

4.2.1.3 Ireland: data centre

At the end of 2016, St Stephen's Green Funds ICAV entrusted Bouygues E&S Ireland Limited with a contract to design and build a data centre.

The energy supply to the building site depended on the construction of an electricity substation. The construction of the substation, which ICAV entrusted to a third party, suffered delays. This impacted the performance of the contract and resulted in ICAV applying penalties, terminating the contract and claiming damages from Bouygues E&S Ireland for an alleged loss.

Three adjudication decisions recognised ICAV's right to, in the final analysis, apply penalties for delay against Bouygues E&S Ireland. Bouygues E&S Ireland brought arbitration proceedings on 4 November 2019 to challenge the enforcement of penalties and to claim damages.

The arbitration tribunal handed down a decision on 12 November 2021 which rejected ICAV's claims and ordered it to pay Bouygues E&S Ireland €40.9 million (excluding losses of profits and interest).

4.2.1.4 Monaco: offshore extension project

Bouygues Travaux Publics (within the scope of a joint venture) entrusted Jan De Nul on 9 January 2017 with a subcontracting contract for dredging and technical and hydraulic fill services for the Monaco offshore extension project.

4.2.2 Colas

4.2.2.1 France: Urssaf reassessments

All the ongoing Urssaf controls and associated disputes and arguments concerning the reductions in social security contributions connected to the TEPA and Fillon regimes, meal allowances and the other elements controlled by Urssaf have been comprehensively valued by Colas. The total potential amount of this reassessment notice, including late payment interest, was estimated at €123 million.

These disputes have been referred to the Social Security courts.

4.2.2.2 Hungarian competition law cases and associated competition claims in Hungary

Between 2004 and 2012, the Hungarian competition council imposed fines on around ten Hungarian companies, including Colas subsidiaries, for anti-competitive practices in tendering for public contracts. The fines have been paid.

Following these decisions, claims for damages against some Hungarian sub-affiliates of Colas were filed in the Hungarian courts by several companies in respect of losses allegedly incurred as a result of the anti-competitive practices.

There are still two ongoing cases: one involving the Municipality of Budapest and the other concerning the Hungarian State (M3 motorway).

Because Jan De Nul failed to deliver materials which conformed with the contractual specifications, Bouygues Travaux Publics replaced Jan De Nul for this task. Jan De Nul disputed this decision and terminated the contract against Bouygues Travaux Publics on 20 December 2019.

The parties are therefore in dispute with each claiming damages against the other for its losses. This dispute has been submitted to arbitration under the rules of the International Chamber of Commerce.

An Arbitration tribunal was constituted on 13 May 2020. The hearings were held at the beginning of July 2021. On 22 December 2021, the Tribunal dismissed all of Jan De Nul's claims and ordered it to pay Bouygues Travaux Publics €1.7 million in addition to the sums recovered by Bouygues Travaux Publics by offsetting invoices and enforcing the performance bond.

4.2.1.5 Miami - Brickell

On 2 July 2013, Brickell City Centre LLC entrusted the construction of a multi-purpose centre in Miami (Florida) to a joint venture comprising Americaribe and John Moriarty Associates of Florida.

The last phase of the works to this building was accepted in February 2016.

Problems of water seepage, waterproofing and finishing appeared after acceptance.

Brickell City Centre LLC seized Miami Civil Court on 22 January 2021 with an action to determine liability for the problems and the associated quantum of damage. The experts' investigations are in progress.

4.2.2.3 Tax dispute in Canada relating to technical assistance invoiced by Colas to its subsidiary Colas Canada Inc.

The Canadian Revenue Authorities are disputing the deductibility of the technical assistance costs invoiced by the Colas parent company to its subsidiary Colas Canada Inc. They claim that the amount of these costs is excessive and the supporting documentation is insufficient.

The assessment notices for 2004 to 2007, which disputed the whole of the deductibility of the costs, have been referred to the mutual agreement procedure provided for in the Franco-Canadian Tax Convention. The French and Canadian authorities have agreed on a technical assistance rate that is very close to the rate invoiced. For the years 2008 to 2014, the rate accepted by the Canadian Revenue Authorities was contested by Colas Canada Inc. within the scope of the above mutual agreement procedure. The tax audit of Colas Canada for the years 2015 and 2016 is still ongoing.

The amounts involved total €14 million.

4.2.2.4 International: Colas Rail files a complaint in relation to an international project

In 2017, an internal audit and an external investigation requested by Colas Rail, a subsidiary of Colas, revealed that suspicious payments in euros and in local currency had been made to local consultants.

Colas Rail filed a complaint in France. The contracts with these consultants were terminated and all payments prohibited. In agreement with the customer, Colas Rail transferred the construction contract, with no major economic impact on the Colas group.

The investigation that followed the complaint filed by Colas Rail is ongoing.

4.2.3 Bouygues Telecom

4.2.3.1 Competition

In November 2014, Bouygues Telecom brought proceedings against Free Mobile in the Paris Commercial Court for unfair competition for bandwidth throttling on some of the mobile internet services that Free Mobile provides via its roaming agreement with Orange, claiming damages for its losses assessed at €719 million. The Paris Commercial Court dismissed Bouygues Telecom's claims in a judgement dated 27 February 2019. This judgement was upheld by the Paris Court of Appeal in a judgement dated 24 September 2021.

In November 2015, Free sued Bouygues Telecom in the Paris Commercial Court for unfair competition in relation to certain Bouygues Telecom advertising of its ADSL offer. Free assesses its prejudice at €275 million. Bouygues Telecom filed a counterclaim against Free alleging misleading commercial practices, and claimed damages for its loss which are assessed at €285 million. In a judgement dated 22 November 2021, the Paris Commercial Court ordered Bouygues Telecom to pay Free and Free Mobile the total sum of €2.5 million, dismissing the parties' other claims.

In October 2019, Free Mobile sued Bouygues Telecom before the Paris Commercial Court for unfair competition because some of its mobile telephony offers combining a phone plan and the purchase of a handset were allegedly consumer credit transactions and misleading practices. Free Mobile assesses its loss at €612 million. Bouygues Telecom is disputing the admissibility and the well-foundedness of Free Mobile's action and has counter-claimed for damages of €1,576,000 firstly on the basis of the abuse of rights and secondly for the disparagement of its offers. In conclusions filed on 5 February 2021, Free Mobile reassessed its loss and increased it to €722 million. The proceedings are continuing.

In April 2021, Bouygues Telecom sued Orange in the Paris Commercial Court for damages for its loss, assessed at €81 million, resulting from Orange's breaches of its fundamental obligations concerning providing access to the local copper loop, for which Arcep had given it formal notice for in its decision n° 2018-1596-RDPI.

4.2.3.2 Regulatory matters

On 30 January 2020, Bouygues Telecom seized Arcep with a claim to settle the disputes over the FTTH rental price offered by SFR FTTH (now XPFibre) in the "SFMD" zone (the legacy SFR AMII Medium Dense Area + AMEL zone). Arcep, in a decision on 5 November 2020, compelled SFR FTTH to restore the applicable co-financing rates which were in force before 1 February 2020 and to offer Bouygues Telecom a maximum rental price of €13.20 ex. VAT/month/line. SFR has lodged an appeal against this decision to the Paris Court of Appeal.

On 4 September 2020, Bouygues Telecom filed several claims for ultra vires with the Paris Administrative Court against the French Prime Minister's decision to refuse authorisation to use Huawei 5G equipment or only giving authorisation for a limited period.

On 21 May 2021, Free Mobile filed a claim for ultra vires with the Paris Administrative Court against the French Prime Minister's decisions authorizing Bouygues Telecom to use Huawei brand 5G radio equipment in the non-dense areas of France. Free Mobile is demanding the cancellation and withdrawal of these decisions, notably because of their discriminatory treatment between Bouygues Telecom and Free Mobile.

On 1 March 2021, Bouygues Telecom appealed the judgement of the Paris Administrative Court dated 29 December 2020 which dismissed its claim to

order the French State to pay it €2.285 billion as damages for its loss between 2011 to 2015 caused by the failure to regulate the roaming agreement between Free Mobile and Orange.

On 14 October 2021, Bouygues Telecom seized Arcep with a claim concerning the disputes over the financial terms for reimbursing the activation fee for connecting end-customers within the scope of the contract of access concluded with Orange in its capacity as FTTH infrastructure operator.

4.2.3.3 Contracts

Tel and Com, a specialised distributor whose contract was not renewed when it expired, filed a claim against Bouygues Telecom in the Paris Commercial Court on 10 November 2015 alleging the sudden break-off of an established business relationship. Tel and Com claimed that Bouygues Telecom had not given a sufficient period of notice and claimed damages of €125.7 million for its loss. The Commercial Court held in a judgement on 16 October 2017 that the nine-month notice period was insufficient and ordered Bouygues Telecom to pay €7.7 million as damages. However, the Court also found that Tel and Com owed around €9.1 million to Bouygues Telecom for contractual breaches. On an appeal by Tel and Com, the Paris Court of Appeal, in a decision of 20 December 2019, quashed the judgement, holding that the notice periods granted by Bouygues Telecom were sufficient. Tel and Com lodged an appeal against this judgement, with the *Cour de cassation*. In a judgement dated 10 November 2021, the *Cour de cassation* partially quashed this judgement, returning the case to the Paris Court of Appeal to be rejudged by a different bench of judges.

Bouygues Telecom is a party in proceedings brought by the French Economy Minister against Apple in the Paris Commercial Court against some clauses in the contract to supply handsets between Apple and Bouygues Telecom. The case is continuing.

A US company that manages a patent portfolio filed claims against Bouygues Telecom in October 2017, and then in January 2018 in the Paris District Court alleging infringement of three patents it claims to own and which are allegedly used in the equipment in its DSL and 4G networks. The plaintiff company is at the moment asking for further information and is claiming financial compensation from Bouygues Telecom. The latter and its equipment suppliers involved in the law suit are contesting the plaintiff company's claims, and in particular the validity of the patents. Two of the patents have been the subject of cancellation decisions at first instance, by the Paris Judicial Court on 23 September 2021, and the European Patent Office on 25 November 2021 respectively.

4.2.3.4 Radio waves

In May 2020, a collective of 500 natural persons served summonses in summary proceedings on the four mobile network operators (Orange, SFR, Bouygues Telecom and Free Mobile) before the Paris Judicial Court requesting the appointment of a judicial expert to assess the impact of 5G on health, the environment and privacy. Bouygues Telecom made submissions concerning the judicial judge's lack of jurisdiction in favour of the administrative judge, the inadmissibility of the claim and the lack of a legitimate reason justifying the expert's appraisal. In a judgement dated 16 March 2021, the Paris Judicial Court held that it lacked jurisdiction to order a general investigation into 5G. Some of the initial claimants have appealed. The proceedings are continuing before the Paris Court of Appeal.

4.2.4 TF1

4.2.4.1 Complaint by Canal+ group against TF1, M6 and France Télévisions: ruling by the Competition Authority of 27 May 2019 – Appeal by Canal+ group

On 9 December 2013, the Canal+, D8 and D17 groups referred certain alleged practices by TF1, M6 and France Télévisions in the sector of the acquisition of rights to “*French language catalogue films*” to the Competition Authority. At the end of investigation, TF1, France Télévisions and M6 received a Statement of Objections on 23 February 2018 from the Competition Authority because some of the clauses in the contracts had the potential cumulative effect of closing access to the catalogue film market.

In a decision No. 19-D-10 of 27 May 2019, the Competition Authority rejected Canal+ group’s claim and ended this procedure, ruling that given the substitutable nature of the different types of films and the volume of films available, there was “*no current risk of being shut out of the market*”.

Canal+ group appealed this decision and the Paris Court of Appeal held, in a judgement on 8 October 2020, that Canal+ group’s claim was unfounded. The latter has lodged an appeal to the *Cour de cassation* against this judgement.

4.2.4.2 Molotov TV litigation

The TF1 group’s channels brought proceedings for infringement against Molotov TV in the Paris District Court on 1 July 2019 arguing that it was continuing to broadcast and use its channels without authorisation, by indirect means and with the complicity of third parties. The TF1 group’s channels also applied to the Pre-trial Judge at Paris Judicial Court on 18 November 2020 within the scope of these proceedings, for an injunction to order Molotov TV to cease using the brands of its unencrypted channels. The Paris Judicial Court granted TF1’s claims in a judgement dated 7 January 2022. It ordered Molotov TV to pay €8.5 million as damages, prohibited Molotov TV from broadcasting TF1’s signals and brands, subject to a fine of €75,000 per day of delay in applying the judgement, whilst ordering the immediate enforcement of this judgement.

Molotov TV has, on its side, seized the Competition Authority on two occasions:

- on 12 July 2019, with a claim for conservation measures in relation to practices by the TF1 and M6 groups in the television channel broadcasting and marketing sector (notably following TF1’s refusal to allow Molotov to air the TF1 group’s channels free of charge). This referral was rejected by the Competition Authority on 30 April 2020. Molotov lodged an appeal against this decision which was dismissed by the Paris Court of Appeal on 30 September 2021. Molotov TV has therefore appealed this judgement to the *Cour de cassation*; and
- on 16 June 2020, with a procedure to sanction TF1 for failing to respect its commitments in the context of the Salto authorisation. This procedure was followed by an application to the *Conseil d’État* (French Supreme Administrative Court) on 16 October 2020 to cancel the rejection decision which was allegedly implicit from the Authority’s silence.

Molotov TV also served proceedings on 10 November 2020 on TF1 and TF1 Distribution in the Paris Commercial Court claiming damages and fines. Molotov TV is arguing that TF1 Distribution’s offer of distribution would subject it to imbalanced obligations with the purpose of obtaining an undue advantage, and that it breaches TF1’s obligations within the context of the Salto authorisation.

4.2.4.3 Complaint and claim against Cnil (the French Data Protection Authority)

On 26 June 2020, Privacy International, an NGO, seized Cnil (the French Data Protection Authority) with a request for an investigation concerning the compliance of the *doctissimo.fr* website with the General Data Protection Regulation (GDPR).

In reply to these allegations, Doctissimo sent a letter to Cnil in order to elucidate certain points of the request for investigation and to inform the Authority of the progress of the deployment of the GDPR on the website.

At the end of the procedure to verify the processing of personal data accessible from the *doctissimo.fr* website, the Authority informed Doctissimo of the appointment of a rapporteur on 2 December 2021.

4.3 VIGILANCE PLAN

France's corporate duty of vigilance law no. 2017-399 passed on 27 March 2017 requires certain companies, including Bouygues SA, to draw up and implement an effective vigilance plan, setting out the reasonable due diligence measures taken to identify risks and prevent serious violations of:

- human rights and fundamental freedoms,
- health and safety of people, and
- the environment,

resulting from the operations of the company and its subsidiaries and those of subcontractors or suppliers with which they have an established business relationship.

Respect for people and the environment is a fundamental value for the Group and is embodied in specific provisions of its Code of Ethics. The Code of Ethics was revised in 2017, among other things to include this duty of due diligence. It is updated regularly and is available on both the Bouygues SA website and intranet site.

In addition, Bouygues' Human Resources Charter seeks to protect the health and safety of its employees.

A Group-wide CSR Charter for Suppliers and Subcontractors, which was updated in 2019, sets out the key commitments required of suppliers and subcontractors wishing to work with the Group.

In addition to the arrangements organized by Bouygues SA, each business segment has strategies adapted to its own issues, mainly in the form of CSR roadmaps and Quality, Safety and Environment initiatives.

Inter-business segment work continued in 2021. For example, the Duty of Vigilance committee bringing together the Legal and CSR departments of each business segment and Bouygues SA met quarterly in 2021. Some specific matters addressed in the vigilance plan were also addressed by the Climate and Biodiversity, Responsible Purchasing, QSE, Sustainability and Non-financial Reporting committees.

Furthermore, the committee of stakeholders, which comprises eight external people selected for their representativeness and expertise together with decision-makers from each business segment and Bouygues SA, met for the second time in June 2021. The committee's role is to build a constructive dialogue that contributes to continuous improvement of Bouygues SA's vigilance plan.

This Bouygues SA vigilance plan covers Group companies and therefore the operations of its five business segments (Bouygues Construction, Bouygues Immobilier, Colas, TF1 and Bouygues Telecom). It also covers the operations of suppliers and subcontractors that work with the Bouygues group and with which it has an established business relationship. The Group's business activities are diverse and have a broad geographical reach, with operations in over 80 countries. In addition, some of its worksites are temporary, particularly in the construction industries. Its activities therefore involve a large number of people and its supply chains can be very complex, which necessarily limits the overall visibility it is possible to have over them. This vigilance plan is therefore complemented by more systematic multi-stakeholder and sector approaches.

Its content is based on contributions from representatives of the CSR, Legal, Purchasing, Human Resources, Health & Safety, and Internal Audit and Control departments of the business segments.

A summary of that work is presented below for each business segment. It describes the main risk factors, the key prevention or mitigation measures already in place and any additional measures to be taken, which together constitute the appropriate actions required by the law to mitigate the risks or prevent serious violations.

Some prevention or mitigation actions are described in more detail in Chapter 3 (SNFP) of this document.

The vigilance plan is presented each year to Bouygues SA's Ethics, CSR and Patronage Committee.

4.3.1 Bouygues Construction

Governance

Bouygues Construction's governance system comprises the CSR, Health & Safety, Purchasing, Legal, Internal Audit and Control, and Human Resources departments. A vigilance steering committee comprising representatives from those departments meets twice a year.

The risks and prevention or mitigation actions identified below are presented annually to Bouygues Construction's Executive Committee and are frequently presented within Bouygues Construction entities.

In 2021, over 3,200 Bouygues Construction employees signed an ethics and compliance pledge, which includes the Bouygues Construction vigilance plan.

In addition, Bouygues Construction continues to roll out its TopSite labelling scheme, which covers five areas: Health & Safety, Environment, Human Resources, Society, and Quality & Customer Involvement. It applies to all construction sites lasting more than six months and worth more than three million euros.

Risks and actions taken

Specific actions are taken to address the risks identified in the table below.

Key risks and description**Prevention and mitigation actions initiated or continued in 2021****Human rights and fundamental freedoms****Child labour**

Company – Employing people who are not of legal working age on worksites and other sites

- Identity checks on all employees registered in the Human Resources information system
- Systematic check-in required to gain entry (for enclosed construction sites and other sites): identity checks using an "e-checkin" tool. These checks are a mandatory criterion for obtaining the TopSite label.
- Internal guide to preventing illegal labour in France currently being revised. Available in Bouygues Construction entities since 2009 (wider circulation since 2017), it sets out the key principles, procedures, roles and responsibilities of the legal, human resources and operational departments. This revision will include provisions regarding the ban on child labour.

Suppliers/subcontractors – Suppliers or subcontractors employing people who are not of legal working age on worksites

- Circulation by HR departments of a guide setting out the minimum legal working age for all countries where Bouygues Construction operates
- Revision of the Internal guide to preventing illegal labour
- Training campaign on the prevention of illegal labour in all French entities.
- Social audits performed on 80% of suppliers at risk in countries at risk (e.g. Ivory Coast, Thailand, etc.) by inspection and certification companies (SGS, Intertek, Bureau Veritas) accredited by Bouygues Construction Purchasing^a

Forced labour

Company – Cases where an employee is in a situation of forced labour

- Standardized hiring procedures in all countries: signature of an employment contract, identity checks, hiring reported to the appropriate government department (where applicable)
- TopSite audits performed on entities
- Internal audit plan covering 2 to 4% per year of Bouygues Construction's sales:
 - France: guidelines and test grids to check whether the Internal guide to preventing illegal labour is properly applied on worksites;
 - International: routine checks on pay arrangements for employees, drawing up employment contracts, respect for working hours, provision or not of housing (respect for living quarters standards where applicable).

Suppliers/subcontractors – Cases where an employee of a supplier or subcontractor is in a situation of forced labour

- Revision of the Internal guide to preventing illegal labour
- Periodic inspections at worksites and other sites. These inspections are a mandatory criterion for obtaining the TopSite label
- France: use of the e-checkin tool and revision of the Internal guide to preventing illegal labour
- International: responsibility lies primarily with the operations directors supported by various departments (human resources, legal and finance)
- Social audits performed on 80% of suppliers at risk in countries at risk (e.g., Ivory Coast, Thailand, etc.) by inspection and certification companies (SGS, Intertek, Bureau Veritas) accredited by Bouygues Construction Purchasing

Illustrations via the TopSite labelling scheme**Bouygues UK:
University of Bath**

Bouygues UK has launched a training module dealing with the UK Modern Slavery Act, available on the Bouygues Construction online training platform, with the aim of raising awareness about global modern slavery issues. The module is intended for all employees based in the United Kingdom, no matter what their level. Operations staff at this worksite have completed this training.

(a) Entity in charge of purchasing.

Non-compliance with local labour law

Ignorance of a local regulation

- Human resources managers present in all operating entities or units (countries or geographical areas)
- Internal audit checks on compliance with local labour law as part of the annual audit plan

Quality of life and living quarters for site workers working away from home

Quality of life and accommodation in poor living quarters that do not comply with ILO standards

- Living quarters standards applicable in all entities
- A "living quarters compliance" criterion included in projects run by Bouygues Construction entities
- Internal audit checks on implementation of the standards
- A specific criterion regarding this risk included in the TopSite labelling scheme

In practice:

Bouygues Construction has drawn up living quarters standards that comply with ILO standards setting out the minimum quality and comfort requirements in housing facilities provided for site workers and employees working away from home, no matter what the country or workplace. They cover the design, management, operation and maintenance of living quarters. These new standards therefore aim to drive continuous improvement in the living conditions of Bouygues Construction employees. They are regularly checked during TopSite audits.

Personal data breaches

Personal data leaks (employee, customer, supplier, subcontractor data), confidentiality breaches, cyberattack

- Specific organization through the appointment of Data Protection Officers (DPO) or Privacy Managers
- Formal procedures updated in line with regulatory changes
- Tool for managing GDPR-related regulatory requirements
- Training programme rolled out (in person and on-line)
- Monitoring contractual commitments, both internal (intra-group contracts) and external (contracts with subcontractors)
- Bouygues Construction's Binding Corporate Rules (BCR) sent to Cnil^a for certification

Discrimination

Assessment of employees on discriminatory factors other than their skills and performance during their recruitment or potential promotion interview

- A Bouygues Construction Diversity and Inclusion policy based on four key areas: gender balance, disability, qualifications/diversity of background, and diversity of origin. A full action plan is drawn up for each of those areas, including training, awareness-raising, KPI monitoring and concrete actions to support employees.
- Group Human Resources Charter used as reference guidelines for the prevention of discrimination of all kinds
- Awareness-raising and training of HR departments in France on equal opportunity, intended for all young HR employees and recruiters at least once every five years, on the HR culture, and as part of the Diversity of backgrounds training module for managers
- "Speak UP" initiative launched in October 2020, aiming to combat all types of hostile behaviour or harassment in the workplace

In practice:

Following programmes devoted to young people and then women, the third "Job Academy" season took place in November 2021 to help marginalized people looking for jobs. In 2022, a programme will be devoted to people with disabilities. For four months, a group of volunteer employees will take part in journeys of discovery, exchanges, workshops, etc., to help their respective mentees make the most of themselves in their CVs, during job interviews and in their working lives.

(a) The French Data Protection Authority.

Health and safety
Security breaches

Harm to people (employees and partners) following acts of terrorism, violence, banditry, natural disasters, war, etc. that could require emergency evacuations, including medical evacuation

- An international security policy based on supervision, analysis, training and monitoring of employees in sensitive geographies, including arranging medical evacuation where necessary.
- Review of travel requests in the Covid-19 pandemic context
- Review of the security context for any plans by Bouygues Construction to begin operating in a new country
- A training programme for managers on violence in the workplace in France

In practice:

In France, Bouygues Construction has rolled out a security system hitherto used in other countries of operation.

Outside France, Bouygues Construction closely monitors changes in the geopolitical climate in its countries of operation. This may lead to withdrawing its staff from a country (leaving the country for non-nationals, returning home for locals), suspending or closing down and securing worksites.

Workplace accidents

- All entities have specific health and safety policies with a management system that includes:
 - policies and related procedures for each entity based on Bouygues Construction's management fundamentals and principles, which are generally based on MASE or ISO 45001 standards. Audits are performed by a third party to ensure that the principles comply with those standards. Health and safety management systems have been updated in most operating entities to meet ISO 45001 standards;
 - tightening up the policy on the wearing of personal protective equipment (PPE) and publication of a list of authorized equipment for France (shoring towers, hand-held power tools, floor formwork, etc.);
 - tightening up the policy on managing major risks (i.e. which can cause irreversible harm to health), with a specific focus on events classified as serious. This policy is reviewed regularly by the senior management committees;
 - a single online system used to report occupational accidents worldwide, which includes all stakeholders on worksites; and
 - signature of the OPPBTP agreement on silica risks (measure regarding exposure to silica dust).
- Health and safety training for key operations staff (worksites, services business, etc.) and support functions (methods, equipment services, etc.):
 - continued "Safety leader 1, 2 and 3 training" aiming to instil safety principles and behaviours and roll-out of a level 4 training programme in some entities for top management of operating units; and
 - "Leadership in Health and Safety" programmes to strengthen the safety culture
- Regarding relations with external stakeholders:
 - health and safety clauses included in master agreements with temporary employment agencies, improved health and safety induction training for temporary staff and monitoring safety objectives (six indicators included in the agreements);
 - a list of banned products included in master purchasing agreements, with penalties for breach; and
 - safety performance assessment of subcontractors using the Ivalua e-procurement tool.
- Regarding research and development:
 - research conducted in 2021 on cognitive biases in risk perception when operating heavy lifting machinery on worksites;
 - use of simulators to train and validate the skills of heavy machinery operators and site managers;
 - root cause analysis of workplace accidents; and
 - development of an "ergo app" to rationalize and select construction materials that respect safety and ergonomics criteria.

In practice:

Bouygues Construction Matériel has developed a new telescopic handler, which now includes six new safety functions.

It has also developed a bracelet that can detect the presence of electrical current.

Lastly, it has developed a cordless angle grinder with an advanced onboard safety system comprising four unique safety functions.

Occupational diseases

Occupational diseases are defined in tables issued by the French Social Security department.

- Specific policies: implementation of an occupational health and safety management system (particularly as regards ergonomics) rolled out to most entities based on ISO 45001 standards:
 - allocation of specific resources to the Ergonomics department, supported by a roll-out plan and support measures in the field;
 - standards on manual handling operations applicable on sites, including stickers to identify load weights;
 - strengthening the policy and related arrangements to combat addictions (alcohol, drugs); and
 - developing anti-noise and anti-dust initiatives, including:
 - a programme to map the risk of exposure to silica dust with the OPPBTP (the French professional body for the prevention of occupational hazards in the construction and civil works sectors); and
 - a campaign in the United Kingdom on the hearing protection policy.
- Training:
 - morning warm-up sessions before starting work on site to prevent musculoskeletal problems;
 - "Health workshops" to raise site worker awareness about looking after their health and preventing musculoskeletal disorders; and
 - ergonomic risk training and awareness plans with the Methods and Organization department and Health & Safety departments.
- Regarding research and development:
 - continued trialling of materials and equipment designed to reduce arduous working conditions (bionic glove, muscle load data capture systems such as "Système Captive", which is used for example to select floor formwork systems in France; and
 - continued research in France on the most dangerous chemicals used on sites: ban on and/or replacement of products ("Pablo" and other platforms, tightening up the general purchasing terms and conditions), improving knowledge about chemicals with Safety information sheets (new "Ecomundo" tool currently under development).

In practice:

Bouygues Construction has conducted the following research and development work:

- Harmonizing and digitalizing workstation ergonomics risk assessment, notably using the "KizErgo" tool;
- Designing a digital tool for listing equipment and construction methods that take ergonomic and safety risks into account ("Ergo Mat").

Environment
Environmental risks related to operations (carbon, waste, water, etc.) and in surrounding areas (noise pollution, air quality, biodiversity, waste water, etc.)

Direct environmental impact of site operations (carbon, energy, waste, water, etc.) and impact on surrounding areas (noise pollution, air quality, biodiversity, waste water, etc.)

- A central "Responsible and Committed" CSR policy, with four of its twelve commitments covering the environment: carbon strategy, biodiversity, responsible timber sourcing, and circular economy.
- ISO 14001 certification providing assurance that the company has an effective environmental management system for its business activities and that environmental risks are identified and managed
- Environmental audit under the TopSite labelling scheme based on five criteria (environmental analysis documented by site identifying the site's environmental risks and associated prevention plans, analysis of the site's greenhouse gas emissions, analysis of water consumption, waste monitoring and monitoring the impacts on surrounding areas including noise pollution and biodiversity)
- A new monitoring tool rolled out enabling all CSR data to be aggregated

Climate risk

Impact of activities on the climate

- Implementation of the following actions as part of the 2021 Climate strategy:
 - drawing up of a new Climate roadmap in line with the Paris agreements, which includes a reduction of at least 30% in scopes 1, 2 and 3a greenhouse gas emissions by 2030 (2019 being the reference year);
 - use of lower-emission materials and change in construction methods:
 - as regards timber construction (a major driver for reducing the carbon footprint): 160 projects were identified in 2021. French timber sourcing has been made more reliable with the signature of partnerships with PiveteauBois and Stora Enzo for CLT , in association with the French Building Federation (30% of timber used in 2021 carried the "Bois de France" label, with a target of 50% in 2025);
 - regarding low-carbon concrete (a critical factor in the strategy): continued research to develop solutions for the future (in particular with Hoffman Green Cement Technology on the use of concrete made with cement produced from alkali-activated blast furnace slag or with calcined clay cement); experiments currently being conducted on worksites.
 - use of recycled or reused materials: signature of a partnership with Wicona for responsible sourcing of recycled aluminium, which accounts for more than 75% of all aluminium used in external joinery;
 - shift to lower-carbon vehicles for fleets of light commercial vehicles and heavy site machinery: in 2021, orders for rechargeable hybrid vehicles accounted for 16% of the eligible population and orders for electric service vehicles increased eightfold;
 - low carbon products and solutions:
 - launch of "Officity" to meet the challenges of tomorrow's offices, based on zero carbon construction;
 - "Citycharge" charge points rolled out by Bouygues Energies & Services which, thanks to their low cost and ease of installation, are helping to boost the sustainable mobility sector. In 2021, 1,600 charge points were installed (over 10,000 charge points in total); and
 - dialogue with all major accounts in all markets to identify their expectations, strategies and ambitions as regards the climate, with the aim of adapting Bouygues Construction's low-carbon products and solutions.
 - fostering good practices internally:
 - Training and awareness-raising: disseminating the 2021 Climate strategy to all employees, launching a mandatory climate training module which must include all supervisory and management grade populations by 2023, monthly sharing of job sheets describing the potential actions for each profile (site manager, purchaser, engineer, etc.);
 - Including the "carbon" dimension in procedures for undertaking any new project as of the initial commitment phase.

(a) Cross-laminated timber.

Illustrations via the TopSite labelling scheme

BOUYGUES BÂTIMENT INTERNATIONAL: YOPOUGON 1 TEACHING HOSPITAL (IVORY COAST)	For water management purposes, a decantation pond was built to collect and process dirty water before runoff.
BOUYGUES BÂTIMENT INTERNATIONAL/AW EDWARDS: COMMUTER CAR PARK - ST MARYS (AUSTRALIA)	A Sustainability Reporting Dashboard was drawn up to monitor the project's environmental impacts (carbon, water, concrete, waste) throughout its life cycle. The impacts are measured and monitored using reduction targets set at the beginning of the project.

Purchasing department's response

Bouygues Construction Purchasing has taken three actions in response to issues involving human rights and fundamental freedoms, health and safety and the environment:

- An Aceso questionnaire sent to suppliers and subcontractors (for the first half of 2021, the response rate was 22% compared with 31% for the whole of 2020). The questionnaire is used to:
 - assess their respect for human rights in several areas: human resources management, inclusion, disability and practices of the supplier or subcontractor's Purchasing department (to ensure that a responsible sourcing process is in place);
 - check that employee health and safety protection measures have been taken and assess their effectiveness; and
 - assess their environmental preservation policy based on the following seven criteria:
 - environmental management: check whether the company assesses its environmental issues and seeks to reduce their impacts;
 - waste management and processing: assess initiatives taken by the supplier;
 - Purchasing department's practices: ensure that the supplier's specifications contain environmental requirements;
 - eco-socio-design of products and services: assess processes put in place by the company for sustainable design of new products and services;
 - water: understand how the supplier saves or processes the water it uses;
 - energy: analyse how the company has improved its energy efficiency and where it sources its energy; and
 - interaction with biodiversity: assess actions taken by the company to reduce the impact of its activity on biodiversity.
- Social audits of suppliers and subcontractors (in 2021, the audit rate was 80% compared with 9% in 2020) performed by three specialist companies (SGS, Intertek and Bureau Veritas) to:
 - check compliance with contractual clauses on human rights. The areas assessed are child labour, forced labour, recruitment compliance, health and safety, freedom of association, discrimination, disciplinary practices, working hours, pay and benefits, working environment, compliance and anti-corruption control;
 - assess the company's health and safety policies. The points assessed are work facilities, readiness for emergency situations, workplace accidents, machine safety, safety risks, chemicals and hazardous materials, and dormitories and canteens; and
 - check that the impact of suppliers' activity is not harmful to their environment.
- The Group's CSR Charter for Suppliers and Subcontractors is appended to all purchase contracts, formally setting out the commitments to be respected by suppliers and subcontractors. The charter imposes certain requirements and failure to comply can lead to measures that may go as far as contract termination.

Action plans and areas for improvement

In 2022, Bouygues Construction intends to improve and strengthen existing actions already taken in 2021, mainly through the internal TopSite labelling scheme and by working with subcontractors and suppliers (through the Aceso platform, circulating the CSR Charter for Suppliers and Subcontractors and external audits of at-risk suppliers).

As regards fundamental human rights, Bouygues Construction's senior management intends to send out communication materials presenting the fundamental principles in this area. A new audit on undeclared labour practices in France will also be performed.

Bouygues Construction is committed to promoting health and safety by supporting internal research and development projects to improve the working conditions of its site workers and to limit workplace accidents and occupational diseases. These projects will be supported by stronger continuous improvement of risk mitigation measures: improving procedures, upgrading equipment, tightening up rules and instructions, and revising health and safety management guidelines.

Bouygues Construction's commitment to the environment will be reflected in the revision of:

- its entire CSR strategy in 2022, with a new roadmap out to 2030;
- the TopSite labelling scheme to be in line with the new CSR roadmap; and
- the continued roll-out of the Climate roadmap aiming to substantially reduce greenhouse gas emissions by 2030.

Lastly, Bouygues Construction intends to continue its employee awareness and information campaigns on vigilance plan issues to prevent the occurrence of risks.

4.3.2 Bouygues Immobilier

Governance

Bouygues Immobilier has a vigilance plan monitoring committee comprising representatives from the Compliance, CSR and Internal Control departments, as well as risk contributors and managers (Purchasing, Human Resources, QSE and Data Protection Officer). The Ethics and Patronage Committee reports on the vigilance plan.

In addition, the risks and prevention or mitigation actions described below have been presented to the company's senior management and Executive Committee.

Risks and actions taken

Specific actions are taken to address the risks identified in the table below.

Key risks and description	Prevention or mitigation actions initiated or continued in 2021
Human rights and fundamental freedoms	
<p>Breach of fundamental rights, in particular in the case of undeclared labour or illegal posting of workers</p> <p>Use of undeclared labour by contractors, subcontractors or partners</p> <p>Non-compliance with project owner's obligations (duty of care and fight against undeclared labour)</p>	<ul style="list-style-type: none"> • On-line training in undeclared labour or illegal posting as part of a mandatory training programme for administrative departments and heads of branches or regions designated as site managers. This training also covers working hours, use of temporary employment, health and safety and use of service providers. • In-person training for project teams and site managers on the checks to be performed by the project owner regarding undeclared labour or illegal posting (129 employees trained in 2021) • Continued testing of the Activigie solution, which consists of performing weekly physical checks on the legality of employees declared by the contractors <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>In practice:</p> <p>Applications for subcontractor approval are checked twice, once by Bouygues Immobilier as project owner and once by the general contractor in charge of siteworks.</p> </div>
Personal data breaches	
<p>Leak or breach of personal data, non-compliance with data retention periods, non-compliance with consent, non-compliance with exercise of the data subject's rights</p> <p>Violation of privacy, identity theft, unsolicited commercial communications</p>	<ul style="list-style-type: none"> • Mandatory on-line training in cybersecurity • Consent form for prospective customers sent automatically from the CRM <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>In practice:</p> <p>Bouygues Immobilier has reviewed the rules for extracting the prospective customer database from its CRM in order to control its use (restriction of the population authorized to extract data).</p> </div>
Breach of ethical and purchasing rules in relations with contractors	
<p>Employees' and/or suppliers' failure to understand, or ignorance of, the ethical and purchasing rules</p> <p>Pressure on contractors to meet deadlines and costs: risk of breaching the rules to obtain results</p>	<ul style="list-style-type: none"> • The Group's CSR Charter for Suppliers and Subcontractors is systematically appended to orders and contracts managed by the Purchasing function. The charter imposes certain requirements and failure to comply can lead to measures that may go as far as contract termination. • A new Purchasing policy leading to a reduced selection of partners based on objective quality, cost, lead time and CSR criteria • Continued CSR self-assessment by contractors and Quality assessments of those contractors, analysis and feedback shared with selected partners • On-line ethics training through e-learning for all employees (including the Purchasing managers).

Key risks and description	Prevention or mitigation actions initiated or continued in 2021
	<p>In practice: To mitigate the risk of non-compliance with the rules on competitive bidding for selecting contractors, an annual check on the selected contractors is performed via the SRM .</p>
<p>Inadequate monitoring of routine product suppliers (suppliers under master agreement)</p> <p>Non-compliance with the purchasing policy and regular monitoring of suppliers under master agreement</p>	<ul style="list-style-type: none"> • EcoVadis assessment of all product suppliers under master agreement • Systematic monitoring of annual trends in the assessments
Health and safety	
<p>Serious breach of health and safety of site workers</p> <p>Risk of death or serious injury of an employee, customer or third party on a site (e.g., fall from height, falling objects, electrocution, burial, crush injuries, moving mass)</p>	<ul style="list-style-type: none"> • Continued implementation of a health & safety plan, with information reported at a specific quarterly QSE committee meeting per region and per branch, securing of worksites and checking the effective application of the rules defined and sent to operations staff as "intangibles of security" • Digitalization of customer purchasing process to mitigate site risks • Monitoring site accident data (customer/employee)
	<p>In practice: Each month, the QSE department reports to the Management Committee and the regional and branch management committees on topical issues and site safety risks. Remedial actions and good practices are proposed at the meetings.</p>
<p>Serious breach of health and safety of employees</p> <p>Physical and psychosocial risks</p>	<ul style="list-style-type: none"> • Continued implementation of the safety prevention plan • Training site managers (employer's safety obligation, harassment and psychosocial risks) and self-assessments of buildings and sales offices • Continued roll-out of "Bi-Well": workplace stress prevention initiative implemented in a region (including extending the Stimulus helpline and webinars for employees and managers on returning to work after lockdown and furlough) • New agreement on QWL ("working differently") to support employees at work (e.g. through support systems for employees who are carers or in difficulty, community action days, etc.) and new teleworking agreement • Training "customer" teams in managing difficult situations • Updating the Single Risk Assessment Report (DUE) and reporting accidents and incidents: on-line training platform including health and safety modules, available to all staff
<p>Serious breach of the health and safety of building occupants</p>	<ul style="list-style-type: none"> • Once a building is completed, several measures to guarantee conformity of the works and the subsequent safety of the occupants, including internal controls, third-party inspections, conformity reports by the contractors that did the work • Pro-actively reinforcing inspections and a process audit on specific aspects of the building

(a) Supplier Relationship Management.

Environment**Soil pollution**

Risk of exposure to polluted ground that could affect people's health, particularly in the case of land acquired without reliable inspection reports

Risk of environmental harm (fauna and flora ecosystems), in particular due to poor management of pollutants during siteworks

- Update of the waste and excavated soil management procedure in line with regulatory developments
- Training in the new waste management regulations for the relevant functions

Climate change

Contributing to the increasing concentration of greenhouse gases through urban development and construction activities and use of products and services

Increase in frequency and intensity of weather events, posing a risk of damage to buildings and personal safety

- A Climate department created as part of the CSR unit
- A Climate plan implemented to reduce scopes 1,2, 3a and 3b emissions by 32% by 2030, in order to contain global warming to below 1.5 °C in line with the Paris agreement objective.
- Training employees in carbon/climate issues (83.5% employees trained), rolling out the "*La Fresque du Climat*" awareness-raising workshop
- Creation of a technical low carbon task force, circulation of technical guides on low carbon drivers, timber construction and RE2020-compliant design
- Actions in favour of resilient projects: rolling out the Biodiversity strategy, design options for climate change adaptation

In practice:

Bouygues Immobilier has introduced an indicator measuring CO₂ intensity^a per m² of floor surface for residential housing and offices. It is considering how to integrate this metric systematically in all vetting committees, ahead of project design, with related carbon performance targets.

Action plans and areas for improvement

In-person training on the risk of undeclared labour or illegal posting will be continued for all operations staff who were not trained in 2021.

Bouygues Immobilier plans to take several measures to mitigate the risk of personal data breach:

- Continued GDPR training;
- Strengthening cyberattack detection capabilities at information systems level; and
- Strengthening awareness actions for managers and new employees by approving on-line training modules for the assessment report drawn up at the end of the trial period.

Regarding compliance with ethical and purchasing rules in relations with contractors and suppliers, Bouygues Immobilier intends to take the following action:

- Continue rolling out the Purchasing policy;
- Train new employees in the Purchasing policy; and
- Require companies with low EcoVadis scores to draw up an action plan and consider excluding suppliers that do not make enough progress year on year.

Regarding the risk of serious breach of health and safety of people on worksites and future housing occupants, Bouygues Immobilier intends to continue its health & safety plan and perform safety inspections on worksites. For this purpose, a specific project called "Titanium" was launched by the QSE department in early 2022 for employees that have site planning and execution responsibilities. The project aims to strengthen

their skills through a specific assessment and coaching system. It will also lead to targeted action plans to avoid and rapidly remedy non-compliant situations identified in operations.

Regarding serious breaches of the health and safety of employees, training of site managers and regulatory safety training will be continued and training programmes for sales staff on managing difficult situations are due to be overhauled.

As regards soil pollution, Bouygues Immobilier intends to set up an on-line platform for waste tracking forms and to provide related training, including a recap of the fundamentals of sorting into seven types of wastes. The frequency of QSE inspections will be increased to help mitigate the risk of soil pollution.

As regards climate change, Bouygues Immobilier will continue to roll out its carbon roadmap to limit global warming to 1.5 °C based on four pillars: decarbonizing products, limiting the carbon footprint of product users, promoting climate change adaptation and the restoration of carbon sinks, and positioning the company as a contributor to the decarbonization of its market.

Bouygues Immobilier also plans to:

- structure its internal carbon accounting;
- continue training staff in carbon and climate issues;
- continue adapting its internal tools to RE2020 environmental regulations; and

(a) Ratio of CO₂ emissions to the company's production.

- act on decision-making processes ahead of the design stage with low carbon indicators and objectives.
 - apply the "Uses, landscape and biodiversity" specifications to its projects;
- Lastly, regarding biodiversity erosion, the following actions are planned:
- initiate a mandatory on-line training campaign on biodiversity; and
 - act on decision-making processes ahead of the design stage with biodiversity indicators and objectives.
 - impose a minimum target biotope area factor as of the design stage for all projects;
 - make the use of a "flash" ecosystem assessment mandatory for all projects;

4.3.3 Colas

Governance

Colas has a governance system comprising the Sustainable Development and Innovation departments (including Environment, Health and Safety, Security and CSR), and the Legal and Compliance, Human Resources and Purchasing departments. Policies and actions plans are drawn up by Colas SA in conjunction with the entities and rolled out by the geographical entities or BUs .

Colas' vigilance plan is part of the Act and Commit Together (ACT) project, which sets out the eight commitments Colas will make to its stakeholders by 2030. ACT is driven and monitored by the company's Executive Management Committee.

Risks and actions taken

Specific actions are taken to address the risks identified in the table below.

Key risks and description	Prevention and mitigation actions initiated or continued in 2021
<p>Human rights and fundamental freedoms</p> <p>Discriminatory practices (ethnic, gender, religious, geographical discrimination, etc.)</p> <p>Discriminatory practices towards an employee based on ethnic, social, religious, political, gender, geographical or physical (e.g. disability) criteria.</p>	<ul style="list-style-type: none"> • Rolling out the "Living together in diversity" on-line training in France and abroad to prevent the risk of discrimination, mandatory for all managers. To date, over 1,000 people have been trained. • Since October 2021, this issue has been addressed during mandatory ethnic training sessions. • Poster campaign on the whistleblowing mechanism and joint communication by the Legal and Human Resources departments on the scope of application of the whistleblowing line, particularly as regards issues of discrimination, psychological harassment and sexual harassment • Rolling out an initiative to promote diversity as part of the Colas CSR commitment to "Attracting, developing and retaining talents through managerial excellence" • Liaison officers appointed to combat sexual harassment and sexist behaviour in France, with plans to extend to International.
	<p>In practice:</p> <p>In Canada, where harassment is considered to be a form of discrimination, various policies such as the Harassment Awareness Policy have been drawn up to combat discrimination and provide employees with a more respectful working environment. The subsidiary Miller is part of the Progressive Aboriginal Relations (PAR) programme with the aim of obtaining certification confirming the company's performance in aboriginal relations.</p>

(a) Business Units.

Key risks and description**Non-compliance with national and international labour laws regarding local and/or migrant employees**

Non-compliance with national and international regulations on local and/or migrant workers (undeclared labour, excessive working hours, retention of identity papers, abusive recruitment practices, forced labour or employment of people below the legal age, etc.)

Prevention and mitigation actions initiated or continued in 2021

- Monitoring the hours spent on worksites reported by site managers
- New payroll tools in use with the new "Colasway" HR information system and training of payroll managers
- HR departments of relevant countries oversee recruitment processes (including seasonal or temporary workers)

In practice:

In the United Kingdom, the Modern Slavery Act requires the company to publish a report setting out the measures it takes to combat modern slavery. Colas Limited developed a policy in 2021 covering its sites and office premises to ensure the personal safety of individuals, in particular those who may be vulnerable, which sets out an action plan to report and act when problems arise.

Inadequate working and accommodation environment (work equipment, health and safety conditions in camps/sites and living quarters, etc.)

Threats to an employee's health and safety due to an inadequate working and/or accommodation environment at sites, camps and living quarters (inappropriate work equipment, food, health and safety conditions, external or internal threats, including physical, sexual and psychological (harassment) harm

- Improved living conditions at fixed and mobile sites and site equipment improvements
- Quarterly inspections of facilities and large sites by management
- Audits of health standards and compliance work on site bungalows, standardization of facilities at major sites
- Risk analysis, in particular safety risks at site facilities, when contracts are awarded (at area level or according to contract amount)
- Audits of security contracts (for example, caretaking)
- Updating security and crisis management plans

Non-compliance with local minimum wages and benefits (pension, benefit allowances and social security)

Pay and benefits practices in breach of local or international standards or Group rules (minimum wages, management of contractual terminations, pensions, benefit allowances, access to health cover, family conditions or constraints: pregnancy, sick child, help for employee carers, etc.)

- A pay policy that guarantees a fair overall pay package for employees, by adapting it to the specifics of the business activities, profiles and geographical areas (unemployment rate, inflation and job market conditions in the civil works sector) and giving employees a share of the company's results
- Identification and global mapping of benefits (death, sickness and disability, healthcare, accident, pension, maternity) and introduction of a minimum standard of employee benefits (BYCare programme)
- Creation of a Compensation & Benefits department, indicators to track pay and benefits
- A new agreement in France on "Quality of working life" which will be extended to the international activities

Health and safety

Workplace accidents on site or during travel

Increase in workplace accidents (machinery/pedestrian collisions, falls, mechanical accidents such as struck-by, pinch point, crush and handling injuries, electrical accidents such as electrocution or burns, etc.) causing bodily injury or death on sites

Road accidents during business travel or employee commuting

- “Goal Zero” programmes in North America and the “One Safety” approach in France and in French-speaking Europe, with a network of about 40 coaches already trained
- Rolling out the “Colas Safety Rules” (including five "life rules" and twelve "lifesaving rules"), with the aim of worldwide coverage by 2022
- A "safety induction" process for all new arrivals and for people going to work on a site
- Safety training sessions (new arrivals, site management, site workers, health and safety officers) through Colas campus programmes and regulatory training.
- Worksite and site meetings on tasks to be performed, health and safety issues, and prevention methods at least weekly (Starters and Safety Meetings).
- Annual Safety Week (2021 campaign theme: recap of Colas rules and emphasis on health, in particular migraines and cardiovascular disease)
- Root analysis of fatal accidents by a monitoring committee and circulation of a safety alert to managers at global level. The aim is to recap watch points, best practices and instructions to be observed.
- Monthly reporting being digitalized (in particular number of workplace accidents) for more in-depth analysis of the causes of accidents and monitoring of future actions
- Some thirty specific audits performed by a unit created within the HPS^a department (presentation of HPS, support visit, involvement of the Executive Committee and the “One Safety” operating committee, internal audit, Safety Week, etc.)
- Global roll-out of a road safety action programme led by the Insurance department (appointment of a Road Safety Officer in each subsidiary with over 400 road safety managers responsible for implementing and coordinating the programme)
- More than 30,000 employees trained in France since 1997 and over 15,000 driving audits performed. International roll-out of similar training and awareness programmes with the aim of gradually extending them to all Colas countries

In practice:

On 8 December 2021, Colas signed the "Seven commitments for safer roads", a partnership with the French inter-ministerial delegation for road safety, which aims to continue road risk prevention actions and improve performance. Since the first charter signed in 1997, the frequency rate of occupational road accidents among Colas' 30,000 employees in France has fallen by more than 75%.

Exposure to occupational diseases

Increase in occupational diseases (other than musculoskeletal disorders) due to inadequate or hazardous working conditions (exposure to chemicals, toxic products, radiation, etc.)

- Assessment of chemical risks performed by each Colas entity sent to the relevant departments
- A "safety induction" process for all new arrivals and for people going to work on a site
- Installation of collective protection systems (e.g., sprinklers to capture dust at source).
- Distribution of specific PPE (personal protective equipment) according to the chemical risk
- Training in correct posture and movement to reduce the risk of occupational disease.

(a) Health, Prevention and Security.

Epidemics/pandemics (Covid-19, swine influenza, avian influenza, Ebola, Zika, etc.)

Rapid spread of an epidemic, pandemic or infection on a regional or international basis, affecting employee health and continuity of operations (supply chain disruption, internal disorganization and absenteeism, loss of assets and decontamination, administrative constraints, in particular site access restrictions or close-down, etc.)

- Regarding management of the Covid-19 pandemic:
 - circulating applicable instructions and regulations;
 - updating health protocols permitting work to continue: joint approach with the Property department regarding buildings to ensure the implementation of regulatory social distancing measures;
 - a multi-disciplinary task force set up specifically to manage the crisis and reactivated whenever a deterioration in the health situation dictates; and
 - implementing a business continuity plan.
- Developing a benchmark (pandemic and health and safety issues), cooperation with 52 international groups or companies with regular conference calls
- Including diseased specific to certain geographies in local prevention plans, providing employees travelling for business with information sheets on safety risks in the relevant countries

Sudden deterioration in the safety situation in a country

Political, ideological or militant riots, kidnapping, theft, malicious acts, crime, intrusion, terrorist acts directly or indirectly targeting Colas employees, assets or sites and those of one of its suppliers, service providers or customers

- Regular updating the risk matrix and Master Security Plans (MSP) drawn up by the HPS department and the local entities
- An oversight system with various services providers, shared with the Safety network and employees travelling on business; an inter-company safety organization and cooperation with the authorities and security forces in countries where Colas operates
- Providing information sheets about safety risks in Colas countries
- Regularly updating the crisis management procedure for kidnapping, detention and riots and circulating information sheets listing the essential actions to be taken in emergency situations
- Widespread use of Meet & Greet procedures in sensitive areas under the responsibility of local correspondents

Environment**Major industrial accident**

Occurrence on a site or its surrounding area of a major industrial accident (explosion, fire) or other event arising from specific operations (Seveso facilities, environmentally-classified facilities, presence of products, liquids, explosive gases, pressurized pipes, etc.) that could have an impact on the environment or health and safety

- Reporting information on accidents and regular analysis of industrial risks, corresponding measures taken by on-site operations staff
- Drawing up recommendation factsheets on asphalt mixing plants, storage tanks, etc.
- Sharing feedback from an industrial risk committee comprising the Equipment, Technical, Environment, Safety and Risk, Insurance and Internal Audit departments.
- Implementing "Colas Share Bitume" to share best practices

Water and soil pollution

Temporary or irreversible, gradual/chronic or accidental water or ground/underground contamination or deterioration caused by accidental discharge of effluents, non or poor treatment of effluents, or legacy or neighbouring pollution

- "Environment" checklists used for environmental self-assessment of Colas fixed sites (quarries, asphalt mixing plants, emulsion plants, workshops, laboratories, etc.)
- An indicator on control of aqueous waste
- Action plans for sites covered by the Colas vigilance plan based on the most important criteria (storage and use of hazardous materials, use of sulphur, Seveso sites, etc.)
- Three pilot audits carried out at two modified bitumen plants and a major Colas worksite
- Improvements to audit guidelines through pilot audits and audit planning at 11 sites in late 2021/early 2022 (four already performed) with a view to adapting action plans where necessary
- QSE departments approve the Safety information sheets for chemical products in purchasing master agreements before they are published in the COUPA catalogues or before their use

Climate change

Impact of activities on the climate: contribution of Colas operations, facilities or value chain (including upstream/downstream, production/transport, etc.) to greenhouse gas emissions

Inadequate energy performance and renewable energy management/optimization

Impact of the climate on activities: direct or indirect exposure/vulnerability to climate change phenomena in terms of business disruption, resilience to extreme weather events, human and financial impacts (increase in production and insurance costs, etc.) and changes in regulations and standards (reporting requirements, business restrictions/authorizations, etc.)

- Drawing up of a low-carbon strategy roadmap to reduce the intensity of Colas' greenhouse gas emissions by 2030 (action on direct and indirect emissions related to the value chain)
- Rolling out of a portfolio of solutions in response to climate issues: production of warm, semi-warm and cold asphalts; greater use of recycled materials and developing a process for regenerating existing road pavement by recycling it in-place and then adding a bituminous emulsion; use of plant-based and hydraulic binders; production and purchase of low-carbon concrete
- Transition to low carbon vehicles, heavy machinery and equipment by seeking alternatives to fossil fuels (electric, biogas, green hydrogen, etc.)
- Fitting of on-board data collection devices to asphalt mixing plants, vehicles and heavy machinery to track and control energy consumption
- Research and development to combat urban heat island issues
- Testing new tools to measure in-place performance of urban cooling solutions and developing expertise in microclimate modelling and simulation

Impact on biodiversity

Temporary or irreversible harm to biodiversity of the surrounding ecosystem and species. This may be caused by Colas' activities (disturbances, vibration, lighting) or by accidents (pollution) or more broadly by contributing to land take causing harm to ecological zones or corridors

- Biodiversity programme for quarries and gravel pits consisting in developing and fostering ecological niches at Colas extraction sites by protecting noteworthy species or installing beehives. In 2020, 170 sites took at least one action to promote biodiversity with scientific and educational support for local populations (local residents and employees).
- Local partnerships with the French National Forestry Office (ONF) and the French Bird Protection League (LPO), continued biodiversity partnership with the French Foundation for Biodiversity Research and participation in the "Young Researchers" awards
- Fighting the spread of invasive exotic species at sites and worksites: inventory and monitoring actions, staff training and documentary intelligence
- Technical and scientific partnership with the French Environmental Engineering Federation to protect ecosystems (rewilding and restoration of water courses or wetlands, developments for ecological continuity, work in sensitive natural areas)
- Drawing up environmentally themed factsheets for employees to take actions in favour of biodiversity at fixed sites

In practice:

Colas has forged a partnership with Kinomé "Forest and Life", combining biodiversity preservation actions with an educational programme founded by Canopé and Kinomé. The aim is to take part in reforestation projects by involving schoolchildren in planting trees in France and Ivory Coast.

Scarcity or temporary or permanent shortages of resources, commodities or energy

Scarcity or temporary or lasting shortages of a natural resource, commodity or energy requiring adaptation of production processes or the supply chain (circular economy, including reuse of materials) which could jeopardize the viability of certain operations

- Colas CSR commitment aiming in particular to "promote circular economy solutions to preserve natural resources". Commitment founded on four principles:
 - recycling materials through research and development;
 - developing recycling platforms and their uses;
 - proposing circular economy solutions; and
 - integrating circular economy issues throughout the Colas group.
- Recycling and re-use for a circular economy: recycling and re-using waste and deconstruction materials from worksites to make gravel, aggregates, mixes, etc. This also includes waste from other industries (e.g., clinker, glass, porcelain, etc.). This helps to limit the need to open new quarries, take site waste to landfill and transport materials.
- Developing recycling techniques: processing of second-life materials and asphalt aggregates at more than 420 fixed and mobile recycling plants to make materials for use in civil works projects
- In 2021, more than 8.5 million tonnes of materials were processed and 16% of Colas' global production of road surfacing materials was derived from recycled materials.
- Research and development work on the following topics:
 - developing solutions for repurposing materials, developing recycling and the circular economy; and
 - including eco-design principles in construction projects.

In practice:

Colas is now on the Board of Directors of Ecominero, the leading French eco-organization specializing in the circular economy of construction industry aggregates. Ecominero was founded by and for manufacturers of mineral-based construction products or materials with the aim of making it easier for companies to implement extended producer responsibility programmes.

Purchasing department's response

In response to the risk of non-compliance with CSR commitments by its suppliers, service providers and subcontractors, Colas has taken the following action:

- A formal responsible purchasing commitment – "Build a responsible supply chain based on sustainable performance" – as part of the eight CSR commitments made by Colas. The responsible purchasing commitment comprises four principles:
 - Train all purchasing staff in CSR and make them accountable;
 - Build a CSR purchasing action plan, based notably on the Colas Low Carbon and Biodiversity strategy;
 - Ensure that suppliers comply with Colas' CSR commitments, using the CSR purchasing risk map drawn up in 2020; and
 - Ensure that Colas complies with its suppliers' CSR commitments.
- Mapping CSR and purchasing risks with regard to the environment, health and safety and human rights in all countries where Colas operates.
- Orders and contracts to include the CSR Charter for Suppliers and Subcontractors and an ethics clause.
- Introduction of specific clauses regarding risk, assessments, audits and supplier awareness (presentation of the low carbon roadmap to suppliers during Supplier Days, etc.). A supplier management system currently being rolled out (assessment, accreditation) will provide further supply chain traceability.
- Continued digitalization of the expenditure commitment process, paperless invoicing and payments, and payment by bank transfer.

Action plans and areas for improvement

In 2022, Colas will continue to roll out the ACT project's eight CSR commitments with a specific tool for monitoring roadmaps.

The CSR risk map will be updated with a special focus on human rights in at-risk countries.

Colas will roll out a digital tool to draw up its risk maps and follow up action plans by country ("Colas map", which is already used for Sapin 2 law reporting).

An "Environment Day" will be devoted to climate and biodiversity issues. All sites exposed to climate risks will be mapped. Themed information sheets

on the impact on biodiversity will be rolled out and employees will be trained in and made aware of this issue.

Lastly, regarding pollution risk, audits will be performed and specific action plans drawn up for the relevant sites.

4.3.4 TF1

Governance

TF1 has a vigilance plan monitoring committee supported by a network of liaison officers mainly comprising representatives from the CSR, Internal Control, Compliance and Legal departments, as well as risk contributors and managers (Purchasing, Human Resources and Data Protection Officer). A project team has been set up to monitor progress in actions identified.

Risks and actions taken

Specific actions are taken to address the risks identified in the table below.

Key risks and description	Prevention and mitigation actions initiated or continued in 2021
Human rights and fundamental freedoms	
<p>Violation of human rights by suppliers and subcontractors from whom the group purchases programmes, television content, services or products for resale</p> <p>Violation by suppliers and subcontractors of international labour standards (undeclared labour, abusive subcontracting, illicit supply of workers, pay levels, discrimination, child labour, forced labour, hazardous working conditions, violation of freedom of association and right to collective bargaining)</p>	<ul style="list-style-type: none"> ● Requirement for suppliers and subcontractors to make contractual commitments ("Ethics and Compliance" clause). ● "Responsible purchasing" guidelines drawn up by the Purchasing department including: <ul style="list-style-type: none"> ▪ assessment of the environmental and human resources performance of suppliers using the EcoVadis scorecard, and an action plan required from those with an unsatisfactory score; ▪ completed CSR questionnaire (self-assessment of human resources, social and environmental issues) required from all suppliers responding to a bid invitation from the Purchasing department; ▪ identification of contracts for which "socially responsible" purchases can be expanded (e.g., 2020-2022 agreement with the trade unions for the inclusion and ongoing employment of people with disabilities; TF1's priority on disability and inclusion to be included in bid documents; the CSR questionnaire to contain HR criteria related to disability and inclusion; promoting purchases eligible for co-contracting from bids submitted with a company in the disability sector). ● "Responsible Supplier Relations & Purchasing" label currently being renewed ● rights acquisition agreements for programmes subsidized by the CNC to contain a requirement for producers to complete the CNC's training on the prevention of sexist and sexual violence
<p>Violation of human rights when broadcasting programmes, content or TV news reports</p> <p>Broadcasting of TV news reports, advertising, documentaries, programmes or content that do not comply with the content ethics or the rules on children's programmes or which flout the CSA 's ethical principles, image rights, right to privacy, presumption of innocence, safeguarding of public order, information ethics, etc.</p>	<ul style="list-style-type: none"> ● Regarding advertising: <ul style="list-style-type: none"> ▪ TF1 Publicité takes part in the ethics and compliance framework within ARPP^(a) and the main industry organisations (<i>SNPTV-Syndicat National de la Publicité Télévisée, Centre d'étude des supports de Publicité, EDI Pub</i>); and ▪ The ARPP's opinion is sought before broadcasting any TV advertising or on-demand media services to ensure that its advertising complies with the ARPP regulations and code (provisions on dignity, stereotyping, ethnic or religious references, etc.). ● Regarding TF1 children's programmes (Tfou Max VoD service): <ul style="list-style-type: none"> ▪ viewing of all children's series purchased by a child psychologist and upstream collaboration with the artistic team for series co-produced by the channel; ▪ content and community site moderation.

(a) The French broadcasting authority (formerly CSA) is now known as Arcom.

(b) The French advertising regulator.

Key risks and description

Prevention and mitigation actions initiated or continued in 2021

In practice:

TF1 has taken the following measures to prevent violations of human rights when broadcasting TV news and other programmes:

- approval process for topics before they are broadcast (viewing, blurring, etc.);
- the following points checked by Programme Compliance teams for all programmes other than TV news reports and LCI: non-incitement of dangerous, delinquent or uncivil practices or behaviour, respect for viewer sensitivities, non-encouragement of discriminatory behaviour based on race, gender, sexual orientation, religion or origin, promotion of the values of inclusion and social responsibility;
- training for TF1 and LCI reporters provided by the Legal department on the principles of press laws, personal image and privacy rights, surreptitious advertising, and CSA^a regulations.
- an News Ethics committee that meets regularly (comprising five independent people). Its role is to uphold media freedom, independence and pluralism and contribute to respect for the principles of honesty, independence and pluralism of news information and the programmes that contribute to it.

Personal data breaches

Use of non-compliant personal data (missing data on data subjects, no legal purpose, retention of personal data, lack of appropriate security measures thereby facilitating hacking, data theft, cyberattack, etc.)

- Implementation of a specific organization: a Data Protection Officer (DPO) for TF1, Newen, Unify and Gammed! and a network of 54 data liaison officers responsible for addressing personal data issues in the entities.
- Continuation of the personal data protection policy comprising 15 general principles, practical business segment information sheets, procedures (management of personal rights, CNIL inspection, management of data breach incidents, etc.) and guidelines (retention periods, subcontractor checklist, etc.).
- Use of a data privacy tool for managing register updates, data subject rights requests, etc.
- Continuation of training and awareness actions in the various TF1 group entities and support in rolling out the second version of IAB^b Europe's Transparency and Consent Framework^c.
- Continued use of standard contracts/clauses to govern aspects related to personal data protection with customers and partners (including Data Processing Agreements^d and safety schedules).

Health and safety**Working conditions at TF1 sites causing harm to the health and safety of people**

Lack of proper measures to prevent the risk of terrorist attack, intrusion, hostage taking (or kidnapping), fire, flood or workplace accident

Lack of rules to prevent Covid-19 risks or psychosocial risks (stress at work, psychological and/or sexual harassment), etc.

- Regarding risk of harm to the physical well-being of people working on TF1 sites:
 - improved buildings protection and access conditions (biometrics, events gantries, static barriers and guards in front of the main entrance, etc.);
 - continuation of the safety action plan implemented in 2018 in the Boulogne-Billancourt buildings. This consisted of physical security work (reinforcing access points, anti-ram vehicle barriers, better burglar-proofing, covering ground floor windows, entry and exit security vestibules, etc.), and strengthening technological resources (full overhaul of the facial recognition system, full overhaul of the fire detection system, etc.) and human resources (security agents better equipped and trained in self-defence, Security and Fire teams, doctors and nurses trained in damage control);
 - annual drill to ensure that the systems in place in the event of the River Seine flooding are effective; and
 - accident reports discussed by the Health & Safety Committee, if necessary with amendments to the prevention plan and update of the occupational risk assessment document (DUERP).
- Regarding psychosocial risks, implementing a health and stress monitoring system, training and awareness-raising in these risks (for managers and HR), a procedure for identifying and dealing with complaints for sexual or psychological harassment, sexist behaviour and violence in the workplace appended to the internal regulations, and a network of trained liaison officers for harassment and violence in the workplace.

(a) The French broadcasting authority (formerly CSA) is now known as Arcom.

(b) Interactive Advertising Bureau.

(c) Framework giving the publishing and advertising industries a common language with which to communicate consumer consent for the delivery of relevant online advertising and content.

(d) Agreement setting out the rights and obligations of the parties regarding personal data protection.

Key risks and description	Prevention and mitigation actions initiated or continued in 2021
<p>Violation of the health or safety of people during the group's activities at non-TF1 sites</p> <p>Harm to the physical well-being of people (public, candidates, actors, employees, service providers, etc.) at shows or on production sets for recorded or live programmes</p>	<ul style="list-style-type: none"> ● Regarding the Covid-19 pandemic: appointment of a Covid-19 officer, disciplinary measures for violations of safety precautions and screening offered on-site (serology, lateral flow and PCR tests). ● Regarding risk of harm to the physical well-being of people: <ul style="list-style-type: none"> ▪ contractual undertakings or guarantees on safety measures made by the other contracting party and insurance covering the health and safety of people; ▪ equipment compliance inspections by accredited organizations (electrical installations, resistance of materials, etc.). ▪ presence of an emergency doctor on some programmes (e.g., <i>Ninja Warrior</i>); and ▪ "Safety in production" training. ● Regarding the risk of harm to people's health: a Covid-19 protocol drawn up by a specialized independent company supported by recommended measures, presence of a nurse and doctor to perform PCR tests, presence of a health & safety officer on production sets for some TV programmes (e.g., <i>Ninja Warrior</i>)
<p>Risk to the safety of reporters and technical support staff working in conflict or risky zones</p> <p>Travel to unsafe areas to cover risky events (conflicts, gang warfare, etc.) exposing reporters and technical support staff to the risk of physical and psychological harm</p>	<ul style="list-style-type: none"> ● Availability of specific equipment and applications to help ensure the safety of reporters and technical support staff in conflict zones or risky areas ● Teams supported by security agents, use of fixers^a during travel to high-risk countries ● Specific training organized on risky areas, hostage taking, etc. ● Regular review of insurance cover to ensure that all identified risks are covered ● In liaison with the French Ministry of Culture, use of a harmonized certificate enabling all employees who do not hold a press card to benefit from police protection
<p>Violation of consumer health due to the use of a service or product distributed by the TF1 group</p> <p>Sale of a product or a service by TF1 Entertainment, TF1 Spectacle or Unify that might harm the consumer's health</p>	<ul style="list-style-type: none"> ● Conformity tests (French and European standards) performed by external service providers (inspection firms, consultancy firms) ● For Unify websites, editorial committees and, for Doctissimo, a medical committee.
<p>Environment</p>	
<p>Risk of environmental impact due to the supply chain for products, services and programmes ordered or produced by TF1</p> <p>Order or production by TF1 of programmes whose production, transport or filming cause significant environmental pollution</p>	<ul style="list-style-type: none"> ● Use of Ecoprod best practices and training in eco-responsible production for the TV industry ● Participation in working groups led by the CNC as part of its action plan for a public ecology and energy transition policy in the cinema, TV and animation industry ● Continued work by the Green Newen committee whose role is to step up action to reduce the carbon footprint of Newen production sets. Measuring the carbon impact of Newen France productions in 2020, drawing up an action plan to reduce this impact by 2024 and 2030
<p>Impact of activities on the climate</p>	<ul style="list-style-type: none"> ● Road map drawn up to reduce TF1's greenhouse gas emissions (in absolute value) by 2030. ● Moving towards an electric vehicle fleet, providing a sustainable Mobility and a Mobility credit scheme for employees with company cars ● Measuring the carbon impact of the <i>MyTF1</i>, <i>LCI.fr</i> and <i>TFOU Max</i> web sites, identifying ways to reduce this impact ● Decrease in energy consumption, renewal of ISO 50001 certification and renovation of internal data centres

(a) Service providers with a member of staff operating in the area where the report or documentary is being filmed and who can act as interpreter and/or guide for a team of TF1 reporters

Environmental impact of advertising

- 2022 general purchasing terms and conditions include "Eco Respons'Ad", an advertising slot available only for certain eco-responsible products and services, based on the criteria imposed by Ademe^a
- Eco-funding to be launched in 2022. TF1 contributes to this fund in proportion to its advertising campaigns for products meeting an Ademe environmental criterion. The fund finances awareness-raising campaigns about environmental labels and impact criteria recommended by Ademe (environmental labels, Énergie label, repairability and environmental display index)

Action plans and areas for improvement

In 2022, the TF1 group plans to improve and strengthen actions rolled out in 2021.

It also intends to add new disability and inclusion indicators as well as CSR requirements in its specifications (e.g., SA8000 certification or CSR pledge for sourcing raw materials), and to take these criteria into consideration when suppliers are selected by the purchasing department.

To mitigate the risk to consumer health of using a service or product distributed by the TF1 group, TF1 will continue to roll out its product

conformity plan and will perform random checks to ensure that it is properly applied.

The main focus of the energy and climate roadmap is eco-production through actions to raise the awareness of programme providers, measuring the carbon impact of Newen productions and in-house training to reduce the impact.

4.3.5 Bouygues Telecom**Governance**

For the third consecutive year, the CSR and Legal departments had joint responsibility for running the vigilance steering committee, which includes representatives from the Purchasing, Human Resources and Health & Safety, Regulatory Affairs and Risk departments.

The cross-disciplinary steering committee exchanges views and information about various risks. The shared risk mapping exercise has created a genuine cross-disciplinary approach to risk assessment. The risks and prevention or mitigation measures described below have been presented to the Management Committee.

Risks and actions taken

Specific actions are taken to address the risks identified in the table below.

(a) The French environment and energy management agency.

Key risks and description	Prevention and mitigation actions initiated or continued in 2021
Human rights and fundamental freedoms	
<p>Risk of violation of human rights and safety by service providers and subcontractors:</p> <ul style="list-style-type: none"> • in plants that manufacture Bouygues Telecom brand products; • in plants that manufacture handsets; and • in offshore call centres; • on telecoms sites during installation or dismantling work, for connecting customers, and • in Bouygues Telecom stores during fitting out work <p>Child labour, forced labour, pay (minimum wage and overtime), disciplinary practices (psychological, physical or sexual harassment), working hours, paid leave</p>	<ul style="list-style-type: none"> • The CSR Charter for Suppliers and Subcontractors is appended to orders and contracts managed by the Purchasing departments. The charter imposes certain requirements and failure to comply can lead to measures that may go as far as contract termination • Annual CSR, documentary (EcoVadis) and on-site (SGS) audits for suppliers deemed to be most at risk based on the CSR risk mapping by purchasing category. In 2021, 56 on-site or documentary audits were performed. In the event of non-compliance or unsatisfactory results, suppliers are required to implement appropriate action plans and follow-up audits or reassessments are performed.
<p>Risk of violation of human rights related to the sourcing of conflict minerals used to manufacture electrical and electronic equipment (routers, network equipment, etc.)</p> <p>Sourcing of minerals from certain politically unstable areas, where armed groups frequently use forced labour in mineral mines</p> <p>Indirect financing of armed groups</p>	<ul style="list-style-type: none"> • After sending out a questionnaire to the main suppliers in 2020, in 2021 questions about minerals sourced from conflict zones were included in the specifications for bid invitations for strategic electrical and electronic equipment
<p>Personal data breaches</p> <p>Non-compliance with the personal data protection regulations</p> <p>Error in recording the data subject's choices</p> <p>Security weaknesses: data leak, security breach (confidentiality, integrity, availability)</p>	<ul style="list-style-type: none"> • Training staff in GDPR requirements: almost half of all staff have completed the on-line training • Continuation of information systems security projects and reinforced pentests. • Internal data governance strengthened with the appointment of 18 employees responsible for data storage and use in their respective departments, roll-out of a new data management tool
Health and safety	
<p>Risk of non-compliance with radio-frequency exposure limits for radio stations and radio equipment sold by Bouygues Telecom – for employees, subcontractors, customers and the general public</p> <p>Exposure to higher-than-permitted electromagnetic waves emitted by Bouygues Telecom network equipment</p> <p>Breach of the specific energy absorption rate (SAR) by products sold by Bouygues Telecom</p>	<ul style="list-style-type: none"> • New measures taken in 2020 for the introduction of 5G: <ul style="list-style-type: none"> ▪ updating technical specifications for the deployment of radio sites (site demarcation and safety perimeter); ▪ updating rules for selling radio equipment; ▪ updating rules on providing information about the SAR^a of mobile phones; ▪ using these specifications to draw up operational technical instructions; ▪ taking exposure measurements for 5G trials; and ▪ informing the public through a page dedicated to the effects of radio waves (explanations, opinions of health authorities)^b. • Continued roll-out of internal procedures to ensure strict application of the regulations on public radio-frequency exposure. • Update and roll-out of technical specifications for the location of 2G, 3G, 4G and 5G masts • Updated information on handset exposure levels (SAR head, trunk and limbs) in all distribution channels. • Monitoring and control of atypical points (exposure over 6V/m) • Regarding radio equipment, implementing the new regulatory provisions on displaying mobile phone exposure levels • Regarding mobile phone masts, roll-out of safety perimeters at 5G sites. • All employees provided with a personal dosimeter, worn on a belt

(a) Specific absorption rate.

(b) <https://www.corporate.bouyguetelecom.fr/nos-engagements/demarche-societale-environnementale/numerique-responsable-pour-tous/ondes-sante/effets-des-ondes/>

Key risks and description**Violation of the health and safety of employees and partners**

Violation of the safety of people working in stores: risk of external violence towards employees and customers (hold-up, physical attack, protest)

Violation of the safety of people involved in negotiating new relay masts or the deployment of new sites and technical interventions (attacks, vandalism)

Prevention and mitigation actions initiated or continued in 2021

- Annual audit of all stores to check that safety systems are working properly
- Continued security work on stores, both selling areas and backrooms, based on the risk assessment (CCTV cameras, panic alarm, duress code, security fog system, security cabinets, GPS trackers, etc.)
- Circulation of an internal memo and a practical information sheet illustrating how to react and behave at risky sites vulnerable to physical attacks
- Restrictions on access to telecoms network sites vulnerable to serious physical attacks
- Specific instructions for on-site responses at sites identified as vulnerable to physical attacks
- Two-day training in crisis mediation for external relations teams (on topics such as safety, crisis negotiation, team cohesion and communications)
- In 2021, publication of an operating and legal support guide in the event of employee safety violations

In practice:

In response to escalating violence towards in-store customer advisers, Bouygues Telecom has taken the following measures:

- A standby line and hotline (team specific in Tours) to support in-store customer advisers should a customer become aggressive, and reporting of calls to supplement risk measurement and analysis.
- Security guards present in stores from time to time according to need.
- Safety training for all in-store staff (on-line training, one-day classroom training).
- Psychological support for staff from an occupational psychologist (Preventis).

Risk of workplace accident for staff and subcontractors when installing 5G and FTTH^a

- Risk analysis prior to any large-scale replacement and installation of 5G masts and/or fibre
- Continuation of the Lone Worker alarm system by providing a telephone that can be used to call for help swiftly if the person falls or feels unwell
- Installation of individual and collective fall protection systems
- Raising the awareness of operators and training employees in prevention and first aid and in using and checking personal protective equipment

(a) Fibre-To-The-Home

Environment

Impact of activities on the climate and environment

- A roadmap and 2030 Climate strategy drawn up in 2021 setting out nine main drivers
- Six-monthly reporting to the Executive Committee and monitoring specific indicators
- 100% of the renewable energy used by Bouygues Telecom backed by Guarantees of Origin
- Measures to extend the life of products and equipment:
 - regarding smartphones, the "Sustainable Smartphone Solutions" programme (advertised in the press, on TV and on Bouygues Telecom's website) promoting recycling and lifetime extension (repair and trade-in incentives, sale of refurbished phones);
 - regarding telecoms sites and equipment, lifetime optimization approach and end-of-life repurposing of equipment through a pre-emption policy with a view to reuse (reconditioning) or recycling; use of second-hand equipment for network installation and maintenance; and
 - eco-design of Bouygues Telecom routers to extend their lifetime to the maximum, improve their end-of-lifetime repair and recycling, and promote the use of recycled materials:
 - encourage customers to use digital technology more sustainably;
 - launch of a free app available to everyone called "*Mon empreinte smartphone*", which helps people to adopt more responsible mobile internet consumption (analysis of the user's Internet consumption, calculation of the CO₂ emissions generated); and
 - "Sustainable Smartphone Solutions" awareness campaigns.
- Rolling out energy savings features on radio sites and features to better manage the energy consumption of radio frequencies (turning some of them off at night) to optimize the electricity consumption of certain telecoms installations
- Renewal of ISO 50001 certification for the Montigny-le-Bretonneux data centre and the main administrative sites, reinforcing the mobile network energy management system
- Improving consumption monitoring, management and profile knowledge tools, identifying areas of optimization
- Rolling out workshops on and on-line training in eco-design for employees; on-line training in climate issues and raising the awareness of over 550 employees through "*La Fresque du Climat*" workshops

Impact on the climate and environment of suppliers' and subcontractors' activities and products

Hazardous substances, waste, pollution
Climate change adaptation

- Annual CSR, documentary (EcoVadis) and on-site (SGS) audits for suppliers deemed to be at risk based on the CSR risk mapping by purchasing category. Suppliers with an unsatisfactory overall EcoVadis score are contacted and asked to draw up an action plan. Suppliers who are non-compliant following an on-site audit are asked to provide action plans.
- A letter sent to the top 100 suppliers asking them to join Bouygues Telecom's Climate initiative, which led to:
 - meetings organized with suppliers of fixed products, telecoms equipment, handsets and services to identify drivers and reduce the environmental impact of those products, particularly in terms of carbon. Organization of workshops with suppliers (representing 44% of amounts ordered in 2021) on their Climate strategy objectives.
 - a questionnaire and environment section included in specifications for bid invitations and key suppliers.

Action plans and areas for improvement

Regarding the risk of violation of human rights and the health and safety of subcontractors and suppliers, Bouygues Telecom will:

- continue to audit new eligible suppliers as well as current suppliers identified as at risk following a CSR audit; and
- monitor the results and systematically perform an EcoVadis assessment on those belonging to the high-risk and medium-risk purchasing categories during bid invitations.

A "conflict minerals" questionnaire will be included in all bid invitations for electrical and electronic equipment.

Regarding the environment, greater use will be made of renewable energy as of January 2022 through a supply contract that includes a three-year PPA .

A biodiversity policy will also be drawn up.

As part of its Climate initiative, Bouygues Telecom will continue to hold specific meetings and workshops with its suppliers to harmonize the criteria for assessing environmental impacts using an application to analyse the life cycle of the products it buys.

4.3.6 Whistleblowing mechanism

A whistleblowing mechanism was introduced in 2006 for Bouygues SA and the Group's five business segments and is included in the Code of Ethics.

The system was supplemented and updated to take into account legislative changes introduced in the law of 9 December 2016 (the Sapin 2 law) and the law of 27 March 2017 requiring the preparation and implementation of a vigilance plan. It now forms part of the Bouygues group's Code of Ethics and an appendix to the Code of Ethics, which is available on the intranet sites of Bouygues SA and the business segments, and on the corporate website [bouygues.com](https://www.bouygues.com). The appendix describes the procedure for raising and processing whistleblower alerts.

This procedure applies to all Group business segments and entities. It is a single mechanism encompassing all situations that might give rise to an alert as provided for by French law. The procedure was drawn up after consultation with Bouygues SA's trade unions.

In 2018 the Group set up an online platform to make it easier for whistleblowers to use the system. The platform is available at the following address:

- <https://alertegroupe.bouygues.com/>

It can be used by employees and external or occasional workers to report breaches and/or violations of the Group's compliance programmes using a login and password. Whistleblowers must use the facility in good faith. They may choose to alert the business segment Ethics Officer or, if they believe that the situation goes beyond the scope of the business segment, they may raise the alert directly with the Group Ethics Officer. The Ethics Officers are bound by a heightened duty of confidentiality.

Furthermore, the Group has communicated broadly and raised awareness about the whistleblowing mechanism through its various social media, specific articles in the Group's internal magazine, inclusion in the various internal training initiatives, and a dedicated page on the Group's Intranet.

4.3.7 Monitoring the vigilance plan

The Bouygues group has set up an internal control and risk management system, the main components of which are described in section 4.4.2 of this universal registration document. These principles apply to all the Group's business segments and may be supplemented at business segment level to take into account any specific requirements of each business activity.

This system will include self-assessments at business segment level enabling the operating entities to assess how well the measures in the vigilance plan have been applied. Action plans are then implemented where necessary. The monitoring system also includes annual reporting on key information in the three areas addressed by the law on the duty of vigilance.

Regarding suppliers and subcontractors, the monitoring system covers the results of assessments carried out by EcoVadis, Acesia or any other external service provider. They are supplemented as required by the results of audits and controls performed by the business segment in accordance with the provisions of the Bouygues group's CSR Charter for Suppliers and Subcontractors.

Based on the conclusions of the monitoring measures taken, each Bouygues group business segment assesses the effectiveness of its risk prevention or mitigation measures and completes or adapts the system as required.

(a) Power Purchase Agreement.

4.4 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

4.4.1 Introduction

Bouygues and its five business segments are acutely aware of the importance of internal control and risk management. These processes help give reasonable assurance as to the achievement of the Group's principal objectives.

Risk management has always been an essential part of the Group's corporate culture. It is a key concern of the Group's managers and is based on internal control systems inspired by principles that have been applied across the Group's business segments for many years.

This is especially the case as regards the preparation and processing of accounting and financial information, given that the quality and reliability of the Group's accounting documents and the financial information communicated to investors may be of great importance.

The scope of this report covers the Bouygues group (parent company, Bouygues Construction, Bouygues Immobilier, Colas, TF1, and Bouygues Telecom).

4.4.2 Bouygues group internal control and risk management

The Internal Control and Risk Management Reference Manual of the Bouygues group is based on the reference framework published by the AMF in 2007.

The Manual was first updated in 2010 after the AMF reference framework was revised to accommodate changes in laws and regulations on risk management as well as the AMF Recommendation on audit committees.

It is regularly amended and improved to take account of changes and to reflect feedback from the business segments.

The Reference Manual covers the general principles of internal control and risk management, and internal control principles relating to accounting and finance. The main objectives are to:

- define the Group's key internal control principles;
- better identify common best practices across its business segments; and
- develop a consistent approach to major issues affecting the entire Group.

Each business segment has further developed this Group-wide approach by analysing the specific aspects of its own internal control system and supplementing the Manual with principles specifically related to its own activities, especially on accounting and financial matters.

The Reference Manual includes a section on "Risk management principles and methods" that encompasses the key stages of risk management: identification, classification, assessment, prioritisation, processing, reporting and communication.

The business segments use this approach to check, on a regular basis, the degree to which they are applying internal control principles relating to accounting and financial matters.

The accounting and financial internal control self-assessment campaigns conducted within each business segment focus on the risks and challenges identified at both Group and business segment level.

In 2021, each business segment completed the self-assessment of the general principles determined by the Group by adding issues of their choice to reflect their own perceptions of risk. Examples of accounting and financial issues addressed by one or other of the business segments include external growth transactions, purchasing, insurance, organisation and security of information systems, reporting and indicators and payment systems security.

4.4.3 Preparation and processing of financial information

One of the key objectives of internal control is the reliability of accounting and financial information. Within the Bouygues group, this is addressed through comprehensive systems and a set of stringent procedures.

Quarter-end close

Each business segment has its own accounting close procedures, which must dovetail with the Group's consolidation process. Interim financial statements are produced quarterly and consolidated at Group level.

Accounting consolidation process

At parent company level, a major role of the Group Consolidation and Accounting department is to establish and implement consistent rules and

methods for consolidation across the Group as a whole. It also provides support to the business segments in managing their activities on a consolidated basis and prepares the parent company financial statements.

Consolidation is carried out quarterly, using intermediate consolidations. Each business segment consolidates at its own level using identical methods defined by the Group Consolidation and Accounting department, which then carries out the overall consolidation of the Group's financial statements.

Special software is used to consolidate the financial statements at the various levels. Many listed companies rely on this software. Each of the business segments uses it as part of its step-by-step approach to consolidation. Using consolidation software makes it possible to exercise

Internal control and risk management procedures relating to the preparation and processing of accounting and financial information

rigorous control and apply standardised procedures during the preparation of the financial statements.

In addition to the computerised accounting system, the Group Consolidation and Accounting department has produced a Group consolidation handbook containing the rules and procedures applicable to consolidation throughout the Group. This is an important reference tool for preparing the consolidated financial statements. It is accessible to all accounting employees on a dedicated intranet site describing the various principles and options that apply within the Group.

4.4.4 Management control - Reporting

The management control system is organised such that no Group company falls outside the management control process. Any company not subject to control at business segment level is controlled by the parent company.

The principles governing operational relations between the parent company and the business segments have been summarised in a document drawn up by the Group Strategy, Development and Financial Control department and regularly updated. This document serves as a guideline for all the business segments.

The parent company systematically controls subsidiaries' financial management through an annual plan (including updates) and sets of

The Group Consolidation and Accounting department also has an educative and co-ordinating role, organising seminars and distributing circulars to make sure the business segments are kept up to date on accounting rules and methods. Special emphasis is placed on the interpretation of, and developments in, international financial reporting standards. This in turn helps to lock in consistency in the way financial statements are prepared.

monthly indicators. The indicators are sent directly to the Group's senior management and centralised by the Group Strategy, Development and Financial Control department.

The management cycle and control/reporting procedures provide a regular flow of information and dialogue between the parent company and the business segments. Plans can be adjusted, and the parent company is always able to exercise control over how the subsidiaries are being managed and intervene at an early stage in strategic decision-making.

4.4.5 Investor relations

At Bouygues SA level, the Group Investor Relations department handles relations with investors and financial analysts (in conjunction with senior management), providing the markets with the information they need and offering feedback to shareholders and analysts.

Great care is taken in preparing press releases, the half-year report, the Universal Registration Document and, since 2018, the annual Integrated Report, which (along with presentations for financial analysts and investors) the Group regards as major vectors of its corporate image.

Various departments are involved in the process of preparing all these documents, including Finance, Sustainable Development & QSE, Corporate Communications and Legal Affairs. They are approved by senior management and/or audited by the statutory auditors. The quarterly press releases are approved by the Audit Committee and the Board of Directors.

Procedures are in place to ensure that employees are aware of insider dealing regulations and blackout periods.

The other listed companies in the Group (Colas, TF1) handle their own investor relations.

4.4.6 Key players in control

In addition to the essential role played by the departments mentioned in sections 4.4.3, 4.4.4 and 4.4.5 above, many other players are involved in the internal control and risk management process as regards accounting and financial matters.

Senior management

Senior management teams are responsible for overseeing the internal control system as a whole, defining strategic priorities, and ensuring that internal control and risk management procedures are designed and implemented in a manner appropriate to each company's development. Bouygues SA senior management in particular plays an important role in financial communication.

Audit Committees

The Bouygues SA Audit Committee and its remit are described in the "Corporate governance" section of this report (see paragraphe 2.3.5.1). Each business segment's Board of Directors has an Audit Committee with similar responsibilities to those of the Bouygues SA Audit Committee.

In addition to their role relating to elective accounting treatments and examining the financial statements, their remit also includes monitoring the effectiveness of internal control and risk management systems. The business segments' Audit Committees review the programmes and findings of internal audits as well as the risk mapping exercises. Consequently, the Audit Committees are a key component in the internal control and risk management mechanism.

4 RISKS AND RISK MANAGEMENT

Internal control and risk management procedures relating to the preparation and processing of accounting and financial information

Risks, Internal Control and Audit departments

The parent company has a Group Risks, Internal Control and Audit department, which plays a major role in developing the Group's internal control policy and has specific responsibility for:

- directing the Group's internal control and audit functions; and
- coordinating the business segments' internal control, risk management and audit activities.

The Group Internal Audit Charter states that the main role of internal audit is to provide senior management with reasonable assurance that organisational principles and internal control and risk management systems are reliable and effective. In fulfilling that role, Internal Audit evaluates the integrity, reliability, completeness, traceability and protection of accounting, financial and management information.

The business segments also have dedicated internal control functions. Accounting self-assessment campaigns are conducted under the direct responsibility of each accounting department.

Each business segment (except for Bouygues Immobilier and Bouygues Telecom where internal audit is handled by the Bouygues SA Audit department) has its own Audit department.

Group Treasury and Finance Department

The Group Treasury and Finance Department at the parent company defines and ensures application of the management principles at Group-wide level. Its role is both to direct and to coordinate.

These rules cover the cash pooling vehicles Bouygues Relais and Uniservice, which are managed at parent company level, and cash pools operated by the five business segments. They also apply to financing arrangements for their subsidiaries.

Key management rules relate to issues such as internal security (counter-signature for payments, etc.); external security (secure cheques, payment by promissory note, etc.); liquidity (confirmed credit facilities, investment of surplus cash, etc.); counterparty quality; legal literature for credit agreements; and assessments of any hedging of interest rate risk and foreign exchange risk.

Statutory auditors

In connection with their statutory audit engagement, the auditors perform four reviews a year (three of which, for the first-quarter and third-quarter financial statements, are limited reviews). They present a summary of their work to the Audit Committees (of the parent company, and of the lead company of each of the business segments).

4.4.7 Oversight

Internal control systems must themselves be subject to control by means of periodic assessments and should also be subject to a constant process of improvement.

Audit departments at parent company and business segment level have always assessed the effectiveness of internal control as part of their core mission and are actively involved in this improvement process.

The key concern is always to develop and implement action plans whose primary objective is to help the Group exercise better control over its operations, and especially to provide ever more reliable accounting and financial information.

4.5 INSURANCE – RISK COVERAGE

4.5.1 Organisation and policy

The insurance policy is handled by separate insurance departments in each of the five business segments of the Bouygues group with a significant degree of autonomy. A central Risks and Insurance department provides leadership and coordination on a Group-wide basis.

Policies are usually contracted by the insurance departments at business segment level, reflecting the great diversity of risks to which each business is exposed. Some insurance programmes that are less sensitive to the specific needs of individual businesses are centralised in the interest of cost-effectiveness.

The Group and its subsidiaries operate a loss prevention policy, developing new measures

- to further reduce the probability of accidents and claims as well as
- their impact.

This policy also reduces the overall cost of risk, improving the Group's position when negotiating premiums and cover with its insurers.

A high proportion of the Group's policies are compulsory, for example third-party motor insurance and (for buildings in France) cover such as ten-year latent defect insurance, reflecting the importance of construction activities in the business mix. These policies exceed 65 % of the insurance budget of the business segment most exposed to those risks.

Over and above compulsory insurance, Group policy is to transfer significant risks to the insurance market by establishing stable relationships with leading insurers, and to negotiate policies on the best possible terms as regards cover and cost. Insurers are selected using key criteria such as

financial security, technical expertise and administrative efficiency. The main programmes are placed via specialist insurance brokers with leading insurers such as AGCS, Allianz, AxaXL, BHSI, Chubb, Covéa, Generali, HDI, Liberty Mutual, MSIG, SMABTP and Zurich.

Worst-case scenarios are used in determining the level of cover required, subject to restrictions imposed by insurance market capacity and the cost of cover.

Deductibles on these policies are set at entity level to ensure an optimum trade-off between:

- the probability of accidents and claims, and
- the premium reductions that can be obtained from insurers by increasing the deductible.

On this basis, some risks are insured with no deductible, while others are subject to a higher deductible of up to €2 million for some property insurance claims.

Total premiums paid to property and casualty insurance companies vary depending on the insurance contracts bought for specific large-scale projects. However, this amount represents less than 1% of the Group's total sales.

The Bouygues group owns a captive reinsurance company, Challenger Réassurance, which may be involved in some of the risks to which the Group is exposed. This company is governed by Luxembourg law and is supervised by the Luxembourg insurance regulator.

4.5.2 Core insurance programmes

To prevent certain information being used to the detriment of Bouygues and its shareholders, especially in legal disputes, the amount of premiums and terms of cover are kept strictly confidential, especially in the case of liability insurance.

- **Construction contractor insurance:** cover is generally equal to contract value. Exceptionally, cover for some geographically dispersed projects may be limited to the cost of repairing damage incurred in a worst-case scenario. The scenario used depends on:
 - the type of project (e.g. motorway, viaduct or tunnel); and
 - its geographical location, so as to build in the risk of damage from natural disasters such as seismic activity and hurricanes.

In some cases, the amount of cover may be limited by the total capacity available in the world insurance market, for example in the case of damage caused by tunnelling activity or by natural events abroad.

- **Liability insurance:** These policies provide cover against loss or injury to third parties for which Group companies may be liable. Because Group companies vary greatly in size and in the nature of their activities, cover is tailored to the risk exposure

The Group considers that its current policies are suitably matched to its risk exposure profile, taking account of what is available on insurance markets in terms of capacity, cover and terms. The insurance policies described are subject to market constraints, and hence may contain exclusions and/or limitations; they may be subject to change in response to market conditions or to changes in the risks to which the Group is exposed.

- **Property insurance:** Cover is generally set on the basis of property value; where this is impossible, cover is set at a level corresponding to the worst-case scenario subject to market constraints.

Generally, when damage to insured assets could lead to a business interruption, insurance is taken out to cover the financial consequences, such as operating losses and/or additional costs. The amount of cover depends on the expected downtime at the damaged site according to the chosen worst-case scenario and on the recovery plans in place.

INFORMATION ON THE COMPANY

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5.1 LEGAL INFORMATION

5.1.1 General information

Company name	Bouygues SA
Registered office social	32 avenue Hoche, 75008 Paris, France
Telephone	+33 (0)1 44 20 10 00
Registration No.	572 015 246 Paris
APE code	7010Z
Legal Entity Identifier (LEI)	969500MOCLNQNFNZN0D63
Form	<i>Société Anonyme</i> (public limited company)
Date of incorporation	15 October 1956
Expiration date	14 October 2089
Financial year	1 January to 31 December
Governing law	Company incorporated under French law
Website	www.bouygues.com NB: The information provided on the website is not part of the Universal Registration Document, except where such information is incorporated in the prospectus by reference.

5.1.2 Articles of association

5.1.2.1 Purpose (Article 2 of the articles of association)

The purpose of the company is, in all countries:

- to acquire, directly or indirectly, interests or holdings in French or foreign companies or groupings, whatever their purpose or business, and to manage and dispose of such interests or holdings;
- to form, acquire, operate and dispose of French or foreign undertakings, in any field of business, whether industrial, commercial or financial, including in particular in the fields of construction (building, civil works, roads, property) and services (public utilities management, media, telecommunications); and
- more generally, to carry out industrial, commercial, financial, mining and agricultural operations or transactions and operations or transactions involving movable or real property relating directly or indirectly to the above purpose or to all similar or related purposes that may enable or facilitate the attainment or development thereof.

5.1.2.2 Appropriation of earnings (Article 24 of the articles of association)

At least 5% of the net profit for the financial year, minus any prior-year losses, is appropriated to constitute the legal reserve. Such appropriation ceases to be mandatory once the legal reserve reaches an amount equal to one-tenth of the share capital.

After appropriations to other reserves and retained earnings as decided by the general meeting of shareholders, the balance of distributable earnings is divided between the shareholders.

5.1.2.3 Financial and voting rights attached to shares (Articles 10 and 12 of the articles of association)

Each share is entitled to the pecuniary and non-pecuniary rights stipulated by law and specified in the articles of association. In particular, Article 10 of the articles of association states that each share entitles the holder to a share in the corporate assets and in the distribution of profits proportionate to the interest in the capital that it represents. Article 12 of the articles of association states that unless otherwise stipulated by law, and except in the case of double voting rights as stipulated below, each shareholder has as many voting rights and may cast as many votes in general meetings as the number of shares he or she holds.

5.1.2.4 Double voting rights (Article 12 of the articles of association)

Double voting rights have existed at Bouygues since 1 January 1972, based on a measure introduced into the articles of association by a general meeting on 31 December 1969. Such rights are now provided for by Articles L. 225-123 and L. 22-10-46 of the Commercial Code.

Double voting rights are granted to all fully paid-up shares proved to have been registered in the name of the same holder for at least two years.

If the share capital is increased by incorporation of reserves, earnings or share premium, double voting rights are granted upon issue to registered shares allotted free of charge in respect of existing shares that already carry double voting rights.

Double voting rights attached to registered shares will be lost if those shares are converted into bearer shares or if title to them is transferred, unless they are transferred from one registered shareholder to another through inheritance or a gift between family members.

Double voting rights may only be abolished by a decision taken at an extraordinary general meeting and ratified by a special meeting of holders of those rights (Article L. 225-99 of the Commercial Code).

5.1.2.5 Disclosure thresholds (Article 8.2 of the articles of association)

Persons or entities that obtain, directly or indirectly, at least 1% of the share capital or voting rights are required to inform the company that they have crossed that threshold, indicating the total number of (i) shares, (ii) voting rights and (iii) securities giving access to the company's capital that they own, with the caveat that the equivalences and calculation methods specified by Article L. 233-9 of the Commercial Code must be applied. Such disclosure

must be made by registered letter with acknowledgement of receipt sent to the registered office within fifteen days following completion of the transaction (whether on or off exchange) regardless of when or whether the securities have been delivered.

Such disclosure must be repeated whenever a shareholder passes above or below the 1% threshold or any threshold that is a multiple of 1%.

If disclosure is not made on the terms set forth above, the shares exceeding the disclosure threshold are stripped of voting rights on the conditions stipulated by law if a request to that effect is made at a general meeting by one or more shareholders holding at least 5% of the company's share capital or voting rights.

5.1.3 Shareholder agreements entered into by Bouygues

5.1.3.1 Bouygues Telecom

The Bouygues Telecom shareholder agreement binds Bouygues SA, SFGP (a subsidiary of Bouygues SA) and JCDecaux Holding.

The material provisions of this shareholder agreement are the following: a reciprocal pre-emptive right; prohibition, without the prior agreement of the other shareholders, on disposals of securities to a telecoms operator providing services to the public; and an undertaking by each party not to acquire a stake in the capital of any rival telecoms operator.

5.1.3.2 Alstom

On 10 March 2021, Bouygues sold 12 million Alstom shares, representing 3.23% of Alstom's share capital, through a placement with qualified investors.

On 2 June 2021, Bouygues sold 11 million Alstom shares representing 2.96% of Alstom's share capital, through a placement with qualified investors.

As at 31 December 2021, Bouygues holds an equity interest of 0.16% in Alstom.

5.1.4 Payment terms

In accordance with Article D. 441-4 of the Commercial Code, Bouygues is disclosing below information about supplier payment terms (trade payables) and customer payment terms (trade receivables).

5.1.4.1 Analysis of trade payables (€)

Article D. 441 I.-1: Invoices received and due for payment that remain unpaid at the end of the reporting period

	Not past due	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Ageing profile of payment arrears							
Cumulative number of invoices involved	196		Not applicable				
Cumulative amount of invoices involved (incl. VAT) (€)	7,821,732		1,359				1,359
Percentage of total amount of invoices (incl. VAT) received in the year	8.74%						
(B) Invoices excluded from (A) because they are disputed or not recognised in the accounts							
Number of invoices excluded				17			
Total amount of invoices excluded (€)				377,643			
(C) Benchmark payment terms used (contractual or statutory – Article L. 441-6 or Article L. 443-1 of the Commercial Code)							
Payment terms used to determine arrears			X Contractual term				
			X Statutory terms: 30 days from invoice date				

5.1.4.2 Analysis of trade receivables (€)

	Not past due	0 days	Article D. 441 I.-2: Invoices issued and due for payment that remain unpaid at the end of the reporting period				Total (1 day or more)
			1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	
(A) Ageing profile of payment arrears							
Cumulative number of invoices involved	65	3	Not applicable				
Cumulative amount of invoices involved (incl. VAT) (€)	29,061,749	147,405	0	0			0
Percentage of total amount of invoices (incl. VAT) issued in the year	22.88%	0.12%					
(B) Invoices excluded from (A) because they are disputed or not recognised in the accounts							
Number of invoices excluded							
Total amount of invoices excluded (€)							
(C) Benchmark payment terms used (contractual or statutory – Article L. 441-6 or Article L. 443-1 of the Commercial Code)							
Payment terms used to determine arrears			X	Contractual term			
			X	Statutory terms: 30 days from invoice date			

5.1.5 Publicly available documents

During the period of validity of this Universal Registration Document, the following documents may be viewed at the registered office of Bouygues and/or online at the bouygues.com website, under Group, Investors (Regulated information) and Newsroom (Publications):

- the most recently updated version of the articles of association; and
- all reports, letters and other documents, evaluations and attestations prepared by the statutory auditors or any other expert at the company's request, some of which are included or referred to in the Universal Registration Document.

5.2 SHARE CAPITAL

5.2.1 General information

5.2.1.1 Amount of share capital

Share capital at 31 December 2020	€380,759,842 composed of 380,759,842 shares with a par value of €1 each
Number of voting rights ^a at 31 December 2020	514,767,427
Issue of new shares from 1 January to 31 December 2021	1,744,953 new shares issued on exercise of stock options
Share capital at 31 December 2021	€382,504,795 composed of 382,504,795 shares with a par value of €1 each
Number of voting rights ^a at 31 December 2021	515,789,793

(a) Including shares stripped of voting rights, in accordance with the calculation methods set out in Article 223-11 of the AMF General Regulation.

5.2.1.2 Changes in the share capital over the last five years

All amounts in the following table are in euros.

Dates	Capital increases/reductions over the last 5 years	Amount of changes in share capital		
		Nominal	Share premium and capitalisation of reserves	Amount of share capital
1 January to 13 October 2017	Exercise of stock options for 3,874,839 shares	3,874,839	110,203,389	358,783,386
27 December 2017	Subscription of 4,725,897 shares by the Bouygues Confiance n°9 employee share ownership fund	4,725,897	145,274,074	363,509,283
14 October to 31 December 2017	Exercise of stock options for 2,616,002 shares	2,616,002	78,491,195	366,125,285
1 January to 20 February 2018	Exercise of stock options for 137,090 shares	137,090	3,783,213	366,262,375
21 February 2018	Cancellation of 1,157,844 treasury shares	(1,157,844)	(45,486,475)	365,104,531
21 February to 5 October 2018	Exercise of stock options for 1,455,337 shares	1,455,337	39,851,359	366,559,868
27 December 2018	Subscription of 5,116,659 shares by the Bouygues Confiance n°10 employee share ownership fund	5,116,659	144,883,316	371,676,527
6 October to 31 December 2018	Exercise of stock options for 701,412 shares	701,412	20,617,983	372,377,939
1 January to 19 February 2019	Exercise of stock options for 3,000 shares	3,000	60,043	372,380,939
20 February 2019	Cancellation of 869,832 treasury shares	(869,832)	(31,061,527)	371,511,107
20 February to 8 October 2019	Exercise of stock options for 1,060,870 shares	1,060,870	24,248,771	372,571,977
20 December 2019	Subscription of 6,031,363 shares by the Bouygues Confiance n°11 employee share ownership fund	6,031,363	143,968,635	378,603,340
9 October to 31 December 2019	Exercise of stock options for 1,224,780 shares	1,224,780	30,269,442	379,828,120
1 January to 3 September 2020	Exercise of stock options for 594,713 shares	594,713	13,127,366	380,422,833
4 September to 31 December 2020	Exercise of stock options for 337,009 shares	337,009	8,041,915	380,759,842
1 January to 31 December 2021	Exercise of stock options for 1,744,953 shares	1,744,953	51,248,773	382,504,795

5.2.2 Potential creation of new shares

At 31 December 2021, 2,881,851 share subscription options ^a were out of the lock-up period and had an exercise price lower than the last quoted market price of the year (i.e. €31.49 at 31 December 2021).

5.2.3 Share buybacks

5.2.3.1 Use in 2021 of authorisations granted by the Annual General Meeting

The Combined Annual General Meetings of 23 April 2020 and 22 April 2021 approved share buyback programmes authorising the Board of Directors, on the basis of Articles L. 225-209 et seq of the Commercial Code, to buy, on- or off-market, a number of shares representing up to 5% of the company's share capital as at the purchase date, (i) for the purposes set out in Commission

Regulation (EC) No. 596/2014 and (ii) in connection with market practices authorised by the AMF.

The Combined Annual General Meetings of 23 April 2020 and 22 April 2021 authorised the Board of Directors to reduce the share capital by cancelling repurchased shares, up to a limit of 10% of the share capital in any 24-month period.

The table below, prepared in accordance with Article L. 225-211 of the Commercial Code, summarises the transactions carried out pursuant to these authorisations in 2021.

Transactions carried out by Bouygues in its own shares in 2021	
Number of treasury shares held by the company at 31 December 2020	31,500
Shares purchased in 2021	3,975,502
Shares cancelled in 2021	
Shares sold in 2021	1,224,060
Number of treasury shares held by the company at 31 December 2021	2,782,942
Value (purchase price) of treasury shares held by the company at 31 December 2021 (€)	93,783,403
Breakdown of transactions by purpose	
Purchase with a view to the allotment of shares free of charge	
Shares purchased in 2021	
Cancellation of shares	
Purchase with a view to the cancellation of shares	2,570,000
Shares cancelled in 2021	
Shares reallocated for other purposes	
Number of treasury shares held by the company at 31 December 2021 outside the liquidity contract	
Liquidity contract	
Shares purchased in 2021	1,405,502
Shares sold in 2021	1,224,060
Shares reallocated for other purposes	
Number of treasury shares held by the company as of 31 December 2021 under the liquidity contract	212,942

(a) Includes plans exercisable before the end of the standard lock-up period using funds locked up on behalf of employees in the company savings scheme.

5.2.3.2 Description of the new share buyback programme submitted for approval by the Combined Annual General Meeting of 28 April 2022

Pursuant to Articles 241-2 and 241-3 of the AMF General Regulation, a description is provided below of the share buyback programme to be submitted for approval by the Combined Annual General Meeting of 28 April 2022. This programme is intended to replace the one authorised by the fifteenth resolution of the Combined Annual General Meeting of 22 April 2021.

Number of shares and proportion of share capital held by Bouygues – Open derivatives positions

At 31 December 2021, the company's capital was made up of 382,504,795 shares, including 212,942 held by Bouygues via a liquidity contract, representing 0.06% of the share capital.

The carrying amount of the 212,942 shares held under the liquidity contract was €6.62 million. Their nominal value was €212,942.

Authorisation submitted for approval at the Annual General Meeting of 28 April 2022

The company is asking the Annual General Meeting convened for 28 April 2022 to authorise it to buy back its own shares up to a maximum of 5% of the share capital. This authorisation would cover a number of objectives, including those contained in Article 5 of Commission Regulation (EU) No. 596/2014 on market abuse ("MAR"), Article L. 22-10-62 of the Commercial Code, and market practice as currently accepted by the AMF. Those objectives are as follows:

- reduce the share capital by cancelling shares under the conditions laid down by law, subject to authorisation by the Extraordinary General Meeting;
- fulfil the obligations arising from debt securities, in particular securities that grant the right to the allotment of company shares via redemption, conversion, exchange, presentation of a warrant or otherwise;
- grant or sell shares to employees or corporate officers of the company or related companies, in particular as part of profit-sharing schemes, stock option or performance share plans, company savings schemes and Group savings schemes or through allotment of shares;
- improve market liquidity and the regularity of listings of the company's equity securities and avoid price discrepancies not supported by market trends, by implementing a liquidity contract managed by an investment service provider acting in compliance with a market practice accepted by the AMF;
- retain shares and, as the case may be, deliver them subsequently as a medium of payment or exchange in an acquisition, merger, spin-off or asset-for-share exchange, in accordance with applicable regulations; and
- implement any market practice accepted by the AMF and generally carry out any other transaction, in compliance with applicable regulations.

Objectives of the new share buyback programme

Subject to approval by the Annual General Meeting of the resolution relating to the company buying back its own shares, the Board of Directors decided at its meeting of 23 February 2022 to define the objectives of the new share buyback programme as follows:

- reduce the share capital by cancelling shares under the conditions laid down by law, subject to authorisation by the Extraordinary General Meeting;
- improve market liquidity and the regularity of listings of the company's equity securities and avoid price discrepancies not supported by market trends, by implementing a liquidity contract managed by an investment service provider acting in compliance with a market practice accepted by the AMF;
- grant or sell shares to employees or corporate officers of the company or related companies, as part of profit-sharing schemes, stock option plans or allotments of shares free of charge, company savings schemes and Group savings schemes.

The Board reserved the right to extend the programme to include other objectives submitted for approval by the Annual General Meeting of 28 April 2022, in which case the company would issue a press release to inform the market.

Maximum proportion of share capital, maximum quantity and characteristics of shares that may be bought back under the new share buyback programme

Under this new share buyback programme, Bouygues may acquire shares representing no more than 5% of its share capital, with the caveat that where shares are bought back to improve liquidity the number of shares included for the purposes of calculating 5% of the share capital is the number of shares purchased less the number of shares resold during the authorisation period.

The company may purchase its own shares under the programme either on- or off-market. The purchase price may not exceed €55 (fifty-five euros) per share, subject to any adjustments in connection with share capital transactions.

Consequently, the Board of Directors has set the maximum amount of funds that may be set aside for the new share buyback programme at €1,000,000,000 (one billion euros). In accordance with law, the total number of shares held at a given date may not exceed 10% of the share capital at that date.

Shares acquired may be reallocated or sold on the conditions laid down by the AMF in Position-Recommendation DOC-2017-04 entitled "Guide to trading by listed issuers in their own securities and to stabilisation measures".

Shares repurchased and retained by Bouygues will be stripped of voting and dividend rights. The shares may be acquired, sold, transferred or exchanged by any means whether on- or off-market subject to compliance with AMF rules, including via a Multilateral Trading Facility (MTF) or systematic internaliser or over-the-counter, including via block trades and via the use of derivative financial instruments, and at any time, including during the period of a public tender offer or public exchange offer for the company's shares. All or part of the programme may be carried out through block trades;

Term of the share buyback programme

Eighteen months with effect from the Combined Annual General Meeting of 28 April 2022, i.e. until 28 October 2023.

5.3 SHARE OWNERSHIP

5.3.1 Changes in share ownership over the last three years

	Situation at 31 December 2021			Situation at 31 December 2020			Situation at 31 December 2019		
	Number of shares	% of capital	% of voting rights ^a	Number of shares	% of capital	% of voting rights ^a	Number of shares	% of capital	% of voting rights ^a
SCDM ^b	93,487,318	24.4	29.5	85,355,243	22.4	29.5	80,555,243	21.2	29.2
Bouygues employees ^c	78,879,530	20.6	28.9	77,297,913	20.3	27.4	73,226,601	19.3	25.6
Other French shareholders	67,955,237	17.8	14.0	83,920,608	22.1	17.1	87,544,321	23.0	18.0
Foreign shareholders	139,399,768	36.5	27.1	134,154,578	35.2	26.0	138,468,955	36.5	27.2
Treasury shares	2,782,942 ^d	0.7	0.5	31,500 ^d	0.0	0.0	33,000 ^d	0.0	0.0
TOTAL	382,504,795	100	100	380,759,842	100	100	379,828,120	100	100

(a) In accordance with Article 223-11 of the AMF General Regulation, the total number of voting rights is calculated on the basis of all shares with voting rights attached, including those stripped of voting rights.

(b) SCDM is a simplified limited company controlled by Martin Bouygues, Olivier Bouygues and their families. This figure includes shares owned directly by Martin Bouygues and Olivier Bouygues.

(c) Shares owned by employees under company savings schemes. As of 31 December 2021, 9.44% of those shares had become available.

(d) Treasury shares held under share buyback programmes and the liquidity contract. Shares held by Bouygues are stripped of voting rights.

	Number of shares	Total number of voting rights
31 DECEMBER 2021	382,504,795	515,789,793
31 December 2020	380,759,842	514,767,427
31 December 2019	379,828,120	509,048,266

The company is not aware of any shareholder, other than those shown in the table above, holding more than 5% of the capital or voting rights.

Significant changes in share ownership during 2021

The main movements in share ownership since 31 December 2020 are described below:

- SCDM's stake rose by 2 percentage points (24.4% at end-2021 compared with 22.4% at end-2020, while SCDM's share of the voting rights remained unchanged.
- The interest in the capital held by employees remained virtually unchanged during the period (20.6% at end-2021 versus 20.3% at end-2020). The percentage of voting rights held by employees increased to 28.9% in 2021 (versus 27.4% in 2020)

- The interest in the capital held by other French shareholders stood at 17.8% at end-2021 (versus 22.1% at end-2020). Amundi Asset Management and CNP Assurances are the largest French institutional shareholders identified, with respectively 2.3% and 1.4% of the capital.
- The interest in the capital held by foreign shareholders rose slightly in 2021 to 36.5% (versus 35.2% at end-2020). BlackRock remains the largest institutional shareholder outside France, with 3.6% of the capital, followed by State Street with 2.3%.

5.3.2 Voting rights

The terms on which the principal shareholders of Bouygues hold voting rights are no different from those enjoyed by the other shareholders. They are entitled, on the same terms as the other shareholders, to double voting rights subject to the conditions specified in Article 12 of the articles of association, the terms of which are summarised above (see section 5.1.2.4).

5.3.3 Control

No shareholder controls the company within the meaning of Article L. 233-3 of the Commercial Code.

At 31 December 2021, Martin Bouygues and Olivier Bouygues held 29.5% of the voting rights, either directly or via the simplified limited company SCDM, which gives them substantial power at general meetings (35.4% of the voting rights exercised at the 2021 Annual General Meeting), given the number of voting rights actually exercised.

The employees held 28.9% of the voting rights as of 31 December 2021 (33.2% of the voting rights exercised at the 2021 Annual General Meeting).

As indicated in the Report on corporate governance, the Board of Directors and Board committees include a significant proportion of independent directors (see chapter 2, section 2.3 of this Universal Registration Document).

5.3.4 Shareholder agreements relating to the capital of Bouygues

As far as the company is aware, no shareholder agreement relating to the company's capital exists and no agreement exists which could, if activated, result in a future change in control of Bouygues.

5.4 DESCRIPTION OF THE STOCK OPTION AND PERFORMANCE SHARE PLANS

This report was prepared in accordance with Articles L. 225-184 and L. 225-197-4 of the Commercial Code.

5.4.1 Principles and rules applied in awarding stock options and performance shares

Authorisations conferred by the Annual General Meeting

The twenty-seventh resolution of the Combined Annual General Meeting of 22 April 2021 authorised the Board of Directors to grant, on one or more occasions, stock options giving the beneficiaries the right to subscribe for new shares or buy existing shares. That authorisation was granted for a period of twenty-six months.

The twenty-eighth resolution of the Combined Annual General Meeting of 22 April 2021 authorised the Board of Directors to allot, on one or more occasions, existing or new shares free of charge (i.e. performance shares). That authorisation was granted for a period of twenty-six months.

The beneficiaries of such shares must be salaried employees or corporate officers of:

- Bouygues; or
- any company or economic interest grouping that is related to Bouygues within the meaning of Article L. 225-197-2 of the Commercial Code.

General rules applicable to awards of stock options or performance shares

The Board of Directors takes account of the recommendations contained in the Afep-Medef Code and those issued by the AMF.

Consequently:

- Stock options or performance shares are awarded to help attract senior executives and employees, secure their loyalty, reward them and give them a medium- and long-term interest in the company's development, in light of their contribution to value creation, and they constitute a true sign of recognition.
- Each plan includes around 600 to 1,000 senior executives and employees. Beneficiaries are selected and individual awards determined based on responsibility, with particular attention paid to high-potential executives.

- No discount is applied to grants of stock options.
- A cap is set to prevent a significant increase in the volume of stock option plans when the market is falling. This cap is set at 15% of the volume of the previous plan.
- Any senior executive or employee included on the list of senior executives or equivalent persons (see explanation below) is prohibited from exercising options or selling shares arising from the exercise of options:
 - during the 30 calendar days preceding publication of the first-half and full-year financial statements, and on the day of such publication;
 - during the 15 calendar days preceding publication of the first-quarter and third-quarter financial statements, and on the day of such publication;
 - during the 15 calendar days preceding publication of Bouygues' quarterly sales release, and on the day of such publication.

The Board of Directors has reiterated that this prohibition also applies during any period during which a senior executive or employee holds inside information, and on the day such information is made public.

In addition to these measures, Bouygues has disseminated various internal rules to prevent insider dealing policy breaches or offences:

- a list of senior executives and equivalent persons with regular or occasional access to inside information or with regular access to sensitive information;
- reminders of the rules on trading restrictions;
- information about stock market law; and
- the requirement for Executive Officers and their spouses to hold shares in registered form.

A specific compliance programme (Financial Information and Securities Trading) was distributed within the Group in 2014 and was updated in 2017 to factor in the provisions of the European Market Abuse Directive, adding another layer to the preventive measures in this area.

Specific rules applicable to Executive Officers

The Board of Directors has set the following rules for awards made specifically to Executive Officers:

- No stock options or performance shares may be granted by reason of an Executive Officer leaving office.
- There is a prohibition on speculative transactions and on hedging the risk relating to the exercise of stock options or the sale of performance shares. To the best of the company's knowledge, no Executive Officer has contracted a hedging instrument.
- Executive Officers who wish to sell shares arising from the exercise of options or performance shares are required to confirm with the Group Ethics Officer that they do not hold inside information.
- The value of options awarded to a corporate officer is capped at 100% of his annual fixed and variable remuneration.

In accordance with the recommendations of the Afep-Medef Code, Executive Officers are required to hold a minimum quantity of shares in registered form. The beneficiary would be required to hold in registered form until he ceases to hold office a minimum quantity of shares representing the equivalent of 1.5 times his fixed annual remuneration. Until such time as that objective is reached, the beneficiary would have to set aside for that purpose 60% of the shares actually delivered to him.

- Caps are imposed on options and shares awarded to Executive Officers (no more than 0.125% of the share capital under the terms of the twenty-seventh and twenty-eighth resolutions approved by the Annual General Meeting of 22 April 2021).
- Any transactions must be declared to the Board of Directors.

5.4.2 2021 stock option plans

In accordance with the powers conferred by the Board meeting of 17 February 2021 to implement the 2021 stock option plan, the Chief Executive Officer on 2 June 2021 awarded 2,755,500 stock subscription options to 694 beneficiaries drawn from among the employees of Bouygues or of companies belonging to the Bouygues group.

The exercise price was set at €34.157 per share subscribed.

The value of each stock option was €3.0093 at the grant date, estimated in accordance with the method used for the consolidated financial statements.

This stock option plan represented 0.72% of the company's share capital as of 30 June 2021.

General information: characteristics of stock subscription options

All the stock subscription options granted by the Board of Directors in 2021 have the following characteristics:

- Exercise price: average of the opening quoted market prices on the 20 trading days preceding the grant date, with no discount.

Awards of stock options and performance shares

Ever since 1988, when Bouygues awarded its first stock option plan, the Board of Directors has always favoured using stock options as the mechanism for securing the loyalty of its senior executives and employees and giving them a stake in the Group's future development.

The objective is and always has been to incentivise them through movements in the Bouygues share price, rather than simply to pay them extra remuneration. The well-foundedness of the decision to grant stock options has been borne out by the positive correlation observed between the trend in the Bouygues share price and that in the net profit attributable to the Group.

Acting on a recommendation from the Selection and Remuneration Committee, the Board of Directors decided in 2021 for the first time to award performance shares to the company's Executive Officers and members of the Bouygues Group Management Committee.

The system of long-term remuneration (LTI – long-term incentive) plans thus currently applies to three categories of beneficiary:

- Executive Officers of Bouygues SA (with the exception of the Chairman of the Board of Directors) who receive awards exclusively in the form of performance shares.
- Members of the Group Management Committee who receive awards including a combination of stock options and performance shares.
- Group managers holding positions of high-level responsibility or making a particular contribution, all of whom receive awards exclusively in the form of stock options.

- Validity: ten years from the grant date.
- Lock-up period: two years from the grant date.
- Exercise period: eight years from the end of the lock-up period, subject to three exceptions whereby options may be exercised at any time within the ten-year period:
 - exercise by heirs within six months following the death of a beneficiary;
 - change of control of Bouygues, or public tender offer or public exchange offer for Bouygues;
 - exercise in accordance with Article L. 3332-25 of the Labour Code using assets acquired under a Group savings scheme.
- Options automatically cancelled in the event of termination of employment contract or loss of office, unless given special authorisation or in the case of permanent incapacity for work or retirement.

Stock subscription options awarded to Executive Officers of Bouygues in 2021

The Board did not award any options to the Executive Officers.

Stock subscription options exercised by Executive Officers of Bouygues in 2021

Person involved	Plan	Number of options exercised	Exercise price (€)
Pascal Grangé	March 2014	17,000	30.32
TOTAL		17,000	

5.4.3 Summary of outstanding stock option plans

Breakdown of stock subscription options by plan and category of beneficiary

	2021	2020	2019	2018	2017	2016	2015
Date of AGM	22/04/2021	25/04/2019	25/04/2019	26/04/2018	27/04/2017	21/04/2016	23/04/2015
Grant date	02/06/2021	08/10/2020	31/05/2019	01/06/2018	01/06/2017	30/05/2016	28/05/2015
Number of options awarded by the Board of Directors	2,755,500	2,835,000	2,898,500	2,584,700	2,570,800	2,790,000	2,739,600
• of which the 10 employees awarded the most options	408,000	602,000	587,000	482,500	453,500	414,500	360,800
Exercise price (€)	34.157	30.53	32.59	41.57	37.99	29.00	37.11
Start date of exercise period	03/06/2023	09/10/2022	01/06/2021	02/06/2020	02/06/2019	31/05/2018	29/05/2017
Expiration date ^a	02/06/2031	08/10/2030	31/05/2029	01/06/2028	01/06/2027	30/05/2026	28/05/2025
Number of options cancelled or lapsed	4,000	53,500	180,500	237,950	348,200	251,265	346,312
Number of options outstanding at 31/12/2021	2,751,500	2,780,500	2,583,816	2,346,750	2,222,460	1,491,601	1,936,796
TOTAL OPTIONS OUTSTANDING AT 31/12/2021	16,113,423						

(a) Last day of period of validity of options.

5.4.4 Stock subscription options awarded to/exercised by the ten employees awarded/exercising the most options during 2021

Stock subscription options awarded to the employees (excluding corporate officers) of Bouygues awarded the most options during the year

Employee	Company awarding the options	Grant date	Number of options	Exercise price (€)
Pierre Auberger	Bouygues	2 June 2021	13,000	34.157
Frédéric Gardès	Bouygues	2 June 2021	35,000	34.157
Pascal Minault	Bouygues	2 June 2021	35,000	34.157
Bernard Mounier	Bouygues	2 June 2021	35,000	34.157
Gilles Pélisson	Bouygues	2 June 2021	35,000	34.157
Jean-Manuel Soussan	Bouygues	2 June 2021	15,000	34.157
Benoît Torloting	Bouygues	2 June 2021	35,000	34.157
Arnauld Van Eeckhout	Bouygues	2 June 2021	50,000	34.157
Richard Viel	Bouygues	2 June 2021	135,000	34.157
Gilles Zancanaro	Bouygues	2 June 2021	20,000	34.157
TOTAL			408,000	

Stock subscription options exercised during 2021 by the ten employees (excluding corporate officers) of Bouygues exercising the most options

Employee	Company awarding the options	Plan	Number of options exercised	Exercise price (€)
Richard Viel	Bouygues	March 2014	26,000	30.32
		May 2016	15,458	29
Benoît Torloting	Bouygues	March 2014	6,500	30.32
		May 2016	6,500	29
Philippe Cuenot	Bouygues	March 2014	9,500	30.32
Bernard Mounier	Bouygues	March 2014	8,000	30.32
Gilles Zancanaro	Bouygues	March 2014	7,500	30.32
Yvon Colleu	Bouygues	March 2014	7,273	30.32
Romain Marie	Bouygues	May 2019	7,000	32.59
Emmanuel Roger	Bouygues	March 2014	7,000	30.32
Pascal Minault	Bouygues	March 2014	7,000	30.32
Alain Moluschi	Bouygues	March 2014	4,500	30.32
TOTAL			112,231	

In 2021, 1,727,953 Bouygues stock subscription options were exercised by employees of Bouygues or its subsidiaries, including the ten Bouygues employees listed above.

5.4.5 2021 performance share plan

Acting on the recommendation of the Selection and Remuneration Committee, and in accordance with the remuneration policy defined during the Board meeting of 17 February 2021 and approved by the Annual General Meeting of 22 April 2021, the Board meeting of 25 August 2021 drew up the final terms and conditions of the 2021 performance share plan applicable to Executive Officers of Bouygues (with the exception of the Chairman of the Board of Directors) and certain employees, all of whom being members of the Bouygues Group Management Committee.

The Board of Directors thus awarded 229,000 performance shares within the scope of Articles L. 225-197-1 et seq of the Commercial Code to eight beneficiaries.

The fair value determined for shares awarded in the 2021 performance share plan, and used to calculate the expense recognised under IFRS 2, is €12.7576 per share.

The total number of shares awarded to all beneficiaries represented 0.06% of the company's share capital at the grant date, and the total number of shares awarded to Executive Officers represented 0.04% of the company's share capital at the grant date.

Characteristics of the performance share plan

In accordance with the rules governing the performance share plan adopted during the Board meeting of 25 August 2021, all shares awarded by the Board of Directors in 2021 have the following characteristics:

- the beneficiary must effectively meet the continuing employment condition until the end of the vesting period, with certain exceptions established by law;
- performance conditions including financial and non-financial criteria (of which gender balance and climate) must be met, as assessed over a three-year period;
- performance shares delivered to beneficiaries at the end of the vesting period consist either of new shares to be issued or of existing treasury shares held by the company under a share buyback programme;

- the valuation of the shares cannot exceed a cap equal to 100% of the beneficiary's annual fixed and variable remuneration;
- the beneficiary must hold in registered form 60% of the shares actually allocated to him throughout this term of office, an obligation that no longer applies once the number of shares actually held by the beneficiary represents the equivalent of 1.5 times his annual fixed remuneration; and
- the beneficiary is prohibited from hedging the shares acquired throughout his term of office.2021 performance share plan

2021 performance share plan

Plan concerned	2021 Plan
Date of AGM	22/04/2021
Date of Board meeting	25/08/2021
Total number of shares awarded	229,000
• of which to Olivier Roussat	80,000
• of which to Pascal Grangé	40,000
• of which to Edward Bouygues	20,000
• of which the 10 employees awarded the most performance shares	89,000
Vesting date of shares	After the 2024 AGM
End of lock-up period	N/A
Performance conditions	See section 5.4.1.2 of the 2020 URD
Price per share at the date of award (€)	35.55

N/A: not applicable.

Performance shares that became available during the year

To date, no performance shares have yet become available.

5.5 STOCK MARKET INFORMATION

5.5.1 Stock market performance of Bouygues shares in 2021

THE BOUYGUES SHARE FACTSHEET

LISTING Euronext Paris (compartment A)	NUMBER OF SHARES AT 31 DECEMBER 2021 382,504,795
ISIN CODE FR0000120503	AVERAGE NUMBER OF SHARES IN 2021 381,496,616
IDENTIFICATION CODES Bloomberg: EN:FP Reuters: BOUY.PA	AVERAGE SHARE PRICE IN 2021 €33.68 (average closing price – Source: NYSE Euronext)
PAR VALUE €1	AVERAGE DAILY TRADING VOLUME TRADED ON EURONEXT 1,014,316 shares (Source: NYSE Euronext)
STOCKMARKET INDICES CAC 40, FTSE Eurofirst 300, Stoxx Europe 600, Euronext 100	MARKET CAPITALISATION €12.04 billion (at 31 December 2021)
SRI INDICES Euronext Vigeo Eurozone 120 and Europe 120, FTSE4Good, MSCI Europe ESG Leaders, ISS ESG	
SECTOR CLASSIFICATION MSCI/S&P indices: Construction and Engineering FTSE and Dow Jones indices: Construction & Materials	
OTHER Eligible for deferred settlement service (SRD) and French equity savings plans (PEAs)	

Year	Number of shares	Dividend paid for the year (€)		Quoted market price (€)		Yield* based on closing price (%)	
		Net	High at closing	Low at closing	Closing		
2016	354,908,547	1.60	37.30	24.99	34.05	4.7	
2017	366,125,285	1.70	44.65	33.65	43.31	3.9	
2018	372,377,939	1.70	45.75	30.26	31.34	5.4	
2019	379,828,120	1.70	39.25	29.50	37.88	4.5	
2020	380,759,842	1.70	41.20	23.16	33.65	5.1	
2021	382,504,795	1.80 ^b	36.43	29.87	31.49	5.7	

(a) Dividend per share relative to the closing price of the previous year.

(b) Submitted for approval by the Annual General Meeting of 28 April 2022.

5.5.2 Trends in share price and trading volumes

2021	High at closing (€)	Low at closing (€)	Number of shares traded	Capital traded (€m)
January	35.84	32.42	20,592,864	705
February	34.49	33.07	16,642,649	562
March	35.43	33.72	21,641,906	747
April	35.64	34.17	16,423,508	569
May	35.98	32.74	22,945,040	778
June	34.15	31.19	24,994,535	824
July	32.72	30.95	20,636,939	656
August	36.28	32.74	19,155,588	664
September	36.43	35.45	19,688,696	709
October	35.56	33.56	17,139,827	592
November	35.59	29.91	34,867,656	1,119
December	31.49	29.87	26,964,379	830

2020	High at closing (€)	Low at closing (€)	Number of shares traded	Capital traded (€m)
January	38.61	35.73	17,675,644	664
February	41.20	35.48	28,164,286	1,072
March	36.89	23.16	53,016,664	1,530
April	30.26	24.37	32,053,224	869
May	27.73	24.75	26,050,525	688
June	30.92	27.08	37,677,327	1,091
July	33.16	30.00	29,782,080	950
August	34.25	31.32	17,610,488	579
September	34.37	29.13	25,465,163	801
October	31.36	27.37	21,767,117	648
November	34.48	28.98	24,440,392	797
December	35.50	33.04	20,206,071	687

5.5.3 Share trading by senior executives

As required by Article 223-26 of the AMF General Regulation, the table below summarises the transactions mentioned in Article L. 621-18-2 of the French Monetary and Financial Code and carried out in 2021.

Person involved	Nature of transaction	Number of transactions	Number of shares/units	Amount (€)
SCDM	Purchase	42	7,807,075	261,681,242.59
Olivier Bouygues	Purchase	4	325,000	10,724,056.50
Pascal Grangé	Exercise of options	1	17,000	515,440.00
	Sale	1	16,500	551,753.40
	Purchase	2	1,500	47,195.00
Suzanne Grangé	Purchase	1	500	15,525.00
Philippe Bonnavé	Exercise of options	1	23,000	697,360.00
	Sale	1	18,000	611,395.20
Nicolas Borit	Exercise of options	1	3,000	90,960.00
	Sale	1	3,000	107,820.00
Raphaëlle Deflesselle	Exercise of options	1	1,000	30,320.00
	Sale	1	1,000	35,790.00
Frédéric Gardès	Sale of units in employee share ownership fund	1	310.2157	84,918.45
	Exercise of options	2	3,000	90,960.00
Benoît Maes	Purchase	3	1,500	50,610.00
Pascal Minault	Exercise of options	1	7,000	212,240.00
	Sale	1	7,000	225,352.40
Bernard Mounier	Exercise of options	1	8,000	242,560.00
	Sale	1	8,000	288,940.80
Benoît Torloting	Exercise of options	2	13,000	385,580.00
	Sale	2	13,000	464,750.00
Jean-Philippe Trin	Exercise of options	1	25,000	814,750.00
	Sale	1	25,000	903,260.00
Arnauld Van Eeckhout	Purchase	2	2,397	74,243.80
Richard Viel	Pledge	1	29,400	1,022,826.00
	Exercise of options	4	41,458	1,236,602.00
	Sale	3	26,000	930,300.00

5.6 INFORMATION ON AUDITORS

5.6.1 Principal auditors

Under Article 22 of the articles of association, the financial statements are audited by at least two principal statutory auditors, appointed for a term of six financial years by an ordinary general meeting of shareholders.

	First appointment	Latest reappointment	Term expires
Mazars 61 rue Henri-Regnault, 92075 Paris-La Défense, France	10 June 1998	21 April 2016	2022
Ernst & Young Audit Tour First, 1/2 place des Saisons, 92400 Courbevoie, France	24 April 2003	22 April 2021	2027

Mazars and Ernst & Young Audit are members of the Versailles regional association of auditors.

Acting on a recommendation from the Audit Committee, the Board of Directors is proposing that the Annual General Meeting of 28 April 2022 reappoint Mazars as a principal auditor for a term of six financial years, expiring at the end of the Annual General Meeting called in 2028 to approve the financial statements for 2027.

5.6.2 Alternate auditors

In accordance with the provisions of Article L. 823-1 of the Commercial Code and the articles of association, the Annual General Meeting of 22 April 2021 did not renew the appointment of Auditex as an alternate auditor. The term of office of the current alternate auditor will continue to run until the Annual General Meeting held in 2022.

	First appointment	Latest reappointment	Term expires
Philippe Castagnac (Mazars group)	29 April 2010	21 April 2016	2022

Philippe Castagnac and Auditex are members of the Versailles regional association of auditors.

5.6.3 Fees paid by the Group to the auditors and members of their networks

The fees paid to each of the auditors and to the members of their networks by Bouygues and all fully consolidated Group companies are set forth in Note 23 to the consolidated financial statements (chapter 6, section 6.1 of this Universal Registration Document).

5.7 BOUYGUES SA RESULTS FOR THE LAST FIVE FINANCIAL YEARS

Item	2021	2020	2019	2018	2017
1. FINANCIAL POSITION AT YEAR-END					
a) Share capital (€m)	383	381	380	372	366
b) Number of shares in issue	382,504,795	380,759,842	379,828,120	372,377,939	366,125,285
c) Number of bonds convertible into shares					
2. RESULTS OF OPERATIONS (€m)					
a) Sales excluding taxes	101	74	85	73	81
b) Earnings before tax, amortisation, depreciation and provisions	524	647	812	597	-63
c) Income tax	86	69	131	155	178
d) Earnings after tax, amortisation, depreciation and provisions	550	698	1166	886	102
e) Amount of profits distributed as dividend	689	647	647	631	620
3. RESULTS OF OPERATIONS ON A PER SHARE BASIS (€)					
a) Earnings after tax, but before amortisation, depreciation and provisions	1.6	1.88	2.48	2.02	0.32
b) Earnings after tax, amortisation, depreciation and provisions	1.44	1.83	3.07	2.38	0.28
c) Dividend per share	1.8	1.7	1.7	1.7	1.7
4. PERSONNEL					
a) Number of employees (average)	200	190	185	173	167
b) Payroll (€m)	45	41	41	35	30
c) Amount paid in respect of benefits (social security, company benefits, etc.) (€m)	25	19	19	16	14

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6.1 CONSOLIDATED FINANCIAL STATEMENTS

6.1.1 Consolidated balance sheet

ASSETS (€ million)	Note	31/12/2021 net	31/12/2020 net restated *
Property, plant and equipment	3.2.1	8,048	7,486
Right of use of leased assets	3.2.2	1,741	1,668
Intangible assets	3.2.3	2,774	2,694
Goodwill	3.2.4	7,446	7,232
Investments in joint ventures and associates	3.2.5/3.2.6	878	1,543
Other non-current financial assets	3.2.5/3.2.7	496	529
Deferred tax assets	7.1	292	334
NON-CURRENT ASSETS		21,675	21,486
Inventories	4.1	2,810	2,839
Advances and down-payments made on orders	4.2	347	398
Trade receivables	4.3	6,641	5,890
Customer contract assets	4.4	2,909	2,448
Current tax assets	4.3	169	213
Other current receivables and prepaid expenses	4.3	3,485	3,046
Cash and cash equivalents	4.5	6,501	4,224
Financial instruments - Hedging of debt	18.2	47	11
Other current financial assets	18.2	24	16
CURRENT ASSETS		22,933	19,085
Held-for-sale assets and operations		34	41
TOTAL ASSETS		44,642	40,612
LIABILITIES AND SHAREHOLDERS' EQUITY (€ million)	Note	31/12/2021	31/12/2020 restated *
Share capital	5.2	383	381
Share premium and reserves		9,632	9,415
Translation reserve	5.3.3	92	(91)
Treasury shares		(88)	
Net profit/(loss) attributable to the Group		1,125	696
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	5.1	11,144	10,401
Non-controlling interests	5.1	1,645	1,471
SHAREHOLDERS' EQUITY	5.1	12,789	11,872
Non-current debt	8.1	5,805	5,544
Non-current lease obligations	10.1	1,473	1,374
Non-current provisions	6.1	2,093	2,155
Deferred tax liabilities	7.2	344	283
NON-CURRENT LIABILITIES		9,715	9,356
Current debt	8.1	1,324	474
Current lease obligations	10.1	362	359
Current tax liabilities		196	165
Trade payables		8,266	7,200
Customer contract liabilities	11.2	4,305	4,098
Current provisions	6.2	1,330	1,242
Other current liabilities	11.1	5,979	5,629
Overdrafts and short-term bank borrowings		351	187
Financial instruments - Hedging of debt	18.2	9	11
Other current financial liabilities	18.2	16	19
CURRENT LIABILITIES	11.1	22,138	19,384
Liabilities related to held-for-sale operations			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		44,642	40,612
NET SURPLUS CASH/(NET DEBT)	9/17	(941)	(1,981)

(a) The consolidated balance sheet as of 31 December 2020 has been restated for the effects of applying the IFRS IC Agenda Decision on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits.

6.1.2 Consolidated income statement

(€ million)	Note	Full year	
		2021	2020
SALES ^a	12/17	37,589	34,694
Other revenues from operations		55	66
Purchases used in production		(16,641)	(15,193)
Personnel costs		(8,497)	(8,090)
External charges		(8,614)	(7,591)
Taxes other than income tax		(597)	(618)
Net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets	17/4.6	(2,065)	(1,832)
Net charges for depreciation, amortisation and impairment losses on right of use of leased assets	4.6	(353)	(359)
Charges to provisions and other impairment losses, net of reversals due to utilisation	17/4.6	(405)	(558)
Change in production and property development inventories		(99)	(202)
Other income from operations ^b		2,280	1,802
Other expenses on operations		(960)	(897)
CURRENT OPERATING PROFIT/(LOSS)	13/17	1,693	1,222
Other operating income	13/17	115	86
Other operating expenses	13/17	(75)	(184)
OPERATING PROFIT/(LOSS)	13/17	1,733	1,124
Financial income	14.1	21	32
Financial expenses	14.1	(176)	(199)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)	14.1/17	(155)	(167)
Interest expense on lease obligations	17.1	(52)	(53)
Other financial income	14.2	63	47
Other financial expenses	14.2	(74)	(80)
Income tax	15/17	(432)	(317)
Share of net profits/losses of joint ventures and associates	17.1	222	216
Net profit/(loss) from continuing operations	17	1,305	770
Net profit/(loss) from discontinued operations			
NET PROFIT/(LOSS)	17	1,305	770
Net profit/(loss) attributable to the Group	16/17	1,125	696
Net profit/(loss) attributable to non-controlling interests		180	74
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	16	2.95	1.83
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	16	2.95	1.83
(a) Of which sales generated abroad		14,994	14,293
(b) Of which reversals of unutilised provisions/impairment losses & other items	17	444	326

6.1.3 Consolidated statement of recognised income and expense

(€ million)	Note	Full year	
		2021	2020 restated ^a
NET PROFIT/(LOSS)		1,305	770
Items not reclassifiable to profit or loss			
Actuarial gains/losses on post-employment benefits		65	(34)
Remeasurement of investments in equity instruments		(1)	(12)
Net tax effect of items not reclassifiable to profit or loss		(9)	12
Share of non-reclassifiable income and expense of joint ventures and associates		(45)	(31)
Items reclassifiable to profit or loss			
Translation adjustments		116	(114)
Remeasurement of hedging assets		60	7
Net tax effect of items reclassifiable to profit or loss		(16)	(1)
Share of reclassifiable income and expense of joint ventures and associates		83	(24)
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	5.3	253	(197)
TOTAL RECOGNISED INCOME AND EXPENSE		1,558	573
Recognised income and expense attributable to the Group		1,366	514
Recognised income and expense attributable to non-controlling interests		192	59

(a) The consolidated statement of recognised income and expense for the year ended 31 December 2020 has been restated for the effects of applying the IFRS IC Agenda Decision on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits.

6.1.4 Consolidated statement of changes in shareholders' equity

(€ million)	Note	Share capital and share premium	Reserves related to capital and retained earnings	Consolidated reserves and profit/(loss)	Treasury shares	Items recognised directly in equity	TOTAL ATTRIBUTABLE TO THE GROUP	Non-controlling interests	TOTAL
POSITION AT 31 DECEMBER 2019									
RESTATED ^a									
		2,749	2,737	5,146		(171)	10,461	1,403	11,864
MOVEMENTS DURING 2020									
RESTATED									
Net profit/(loss)				696			696	74	770
Income and expense recognised directly in equity						(182)	(182)	(15)	(197)
Total recognised income and expense ^c				696		(182)	514	59	573
Capital and reserves transactions, net		22	519	(519)			22		22
Acquisitions and disposals of treasury shares									
Acquisitions and disposals with no change of control				(13)			(13)	(3)	(16)
Dividend paid				(646)			(646)	(41)	(687)
Share-based payments				4			4	1	5
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)				59			59	52	111
POSITION AT 31 DECEMBER 2020									
RESTATED ^a									
		2,771	3,256	4,727		(353)	10,401	1,471	11,872
MOVEMENTS DURING 2021									
Net profit/(loss)				1,125			1,125	180	1,305
Income and expense recognised directly in equity	5.3					241 ^b	241	12 ^b	253
Total recognised income and expense ^c				1,125		241	1,366	192	1,558
Capital and reserves transactions, net		53	51	(51)			53		53
Acquisitions and disposals of treasury shares				(5)	(88)		(93)		(93)
Acquisitions and disposals with no change of control	5.5			(1)			(1)		(1)
Dividend paid				(647)			(647)	(91)	(738)
Share-based payments	5.4			9			9	1	10
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)	5.5	1	(1)	56			56	72	128
POSITION AT 31 DECEMBER 2021									
		2,825	3,306	5,213	(88)	(112)	11,144	1,645	12,789

(a) Consolidated shareholders' equity as of 31 December 2019 and 31 December 2020 has been restated for the effects of applying the IFRS IC Agenda Decision on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits.

(b) Change in translation reserve:

	Attributable to:	Group	Non-controlling interests	Total
Controlled companies		110	6	116
Investments in joint ventures and associates		73		73
		183	6	189

(c) See statement of recognised income and expense.

6.1.5 Consolidated cash flow statement

(€ million)	Note	Full year	
		2021	2020
I - CASH FLOW FROM CONTINUING OPERATIONS			
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES			
Net profit/(loss) from continuing operations	17	1,305	770
Adjustments:			
Share of profits/losses of joint ventures and associates, net of dividends received		(154)	(160)
Dividends from non-consolidated companies		(6)	(5)
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions		1,980	1,956
Net charges to amortisation and impairment expense and other adjustments to right of use of leased assets		353	360
Gains and losses on asset disposals		(314)	(144)
Income taxes, including uncertain tax positions	15	432	317
Income taxes paid		(397)	(367)
Other income and expenses with no cash effect		(34)	(18)
CASH FLOW AFTER INCOME FROM NET SURPLUS CASH/COST OF NET DEBT, INTEREST EXPENSE ON LEASE OBLIGATIONS AND INCOME TAXES PAID	17	3,165	2,709
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations		207	220
Changes in working capital requirements related to operating activities (including current impairment and provisions) ^a	17	204	477
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES		3,576	3,406
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES			
Purchase price of property, plant and equipment and intangible assets	17	(2,446)	(2,648)
Proceeds from disposals of property, plant and equipment and intangible assets	17	472	428
Net liabilities related to property, plant and equipment and intangible assets		(90)	709
Purchase price of non-consolidated companies and other investments		(12)	(11)
Proceeds from disposals of non-consolidated companies and other investments		8	2
Net liabilities related to non-consolidated companies and other investments			2
Purchase price of investments in consolidated activities	22.1	(382)	(930)
Proceeds from disposals of investments in consolidated activities	22.1	1,046	646
Net liabilities related to consolidated activities	22.1	74	258
Other effects of changes in scope of consolidation: cash of acquired and divested companies	22.1	23	(1)
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies		64	(59)
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES		(1,243)	(1,604)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES			
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders		(34)	62
Dividends paid to shareholders of the parent company		(647)	(646)
Dividends paid by consolidated companies to non-controlling interests		(91)	(41)
Change in current and non-current debt	9	1,057	234
Repayment of lease obligations	17	(361)	(372)
Income from net surplus cash/cost of net debt and interest expense on lease obligations		(207)	(220)
Other cash flows related to financing activities		(1)	(38)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES		(284)	(1,021)
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS			
	9	64	(98)
CHANGE IN NET CASH POSITION (A + B + C + D)		2,113	683
NET CASH POSITION AT START OF PERIOD			
Net cash flows	9	4,037	3,354
Non-monetary flows			
Held-for-sale operation			
NET CASH POSITION AT END OF PERIOD	9	6,150	4,037
II - CASH FLOWS FROM DISCONTINUED OPERATIONS			
NET CASH POSITION AT START OF PERIOD			
Net cash flows			
NET CASH POSITION AT END OF PERIOD			

(a) Definition of changes in working capital requirements related to operating activities: current assets minus current liabilities, excluding (i) income taxes; (ii) receivables/liabilities related to property, plant and equipment and intangibles assets; (iii) current debt; (iv) current lease obligations; and (v) financial instruments used to hedge debt.

6.1.6 Notes to the consolidated financial statements

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Note 1 Significant events of the year

1.1 Scope of consolidation as of 31 December 2021

As of 31 December 2021, the scope of consolidation of Bouygues SA consisted of 1,266 entities, compared with 1,249 as of 31 December 2020.

31 December	2021	2020
Companies controlled by the Group	846	830
Joint operations	166	178
Joint ventures and associates	254	241
	1,266	1,249

1.2 Significant events

1.2.1 Significant events of 2021

The principal corporate actions and acquisitions of 2021 are described below:

- On 29 January 2021, Alstom announced that it had acquired Bombardier Transportation, via two rights issues reserved for affiliates of Caisse de dépôt et placement du Québec and Bombardier Inc; those rights issues followed a previous rights issue of €2 billion carried out on 7 December 2020 (see Note 1.2.2). Bouygues recognised a gain on dilution of €56 million within "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the first quarter of 2021, based on Alstom's €3.4 billion valuation of the 76,184,296 shares issued on the date of completion of the acquisition. On completion of all those various rights issues, Bouygues held an equity interest of 6.35% in Alstom.

On 10 March 2021 and 2 June 2021, Bouygues announced the sale of 12 million and 11 million Alstom shares respectively, representing 3.23% and 2.96% of Alstom's share capital, for €984 million (net of transaction costs), through an accelerated book building reserved for institutional investors. Bouygues recognised a gain of €152 million (net of transaction costs and taxes) within "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the first half of 2021. Following those sales, Bouygues holds an equity interest of 0.16% in Alstom. Loss of significant influence over Alstom led to the reclassification of the residual equity interest to "Other non-current financial assets", and to the recognition of a fair value remeasurement of €6 million in respect of the residual equity interest within "Share of net profits/losses of joint ventures and associates" as of 2 June 2021.

The residual equity interest in Alstom, recognised in "Other non-current financial assets", amounted to €18 million as of 31 December 2021.

- During the first half of 2021, Bouygues Telecom sold to Towerlink the buildings and passive infrastructure of 11 data centres (MSC – Mobile Switching Centres) for €168 million. A further two MSCs were sold in the second half of 2021 for €31 million, increasing the overall gain for the year ended 31 December 2021 to €114 million (recognised in "Other operating income"). Two MSCs were classified within "Held-for-sale assets and operations" as of 31 December 2021 for €8 million.

- On 27 April 2021, TF1 announced that Newen had taken a majority stake in the iZen group, a major player in audiovisual production in Spain, by acquiring a 65% equity interest for a basic price of €20 million. The iZen group, which employs around 40 people and also has operations in the United Kingdom, generated average sales of €35 million over the last three financial years. The vendors and the Newen group entered into a shareholder agreement which specifies the terms for (i) the payment of contingent consideration and (ii) the exercise of reciprocal undertakings whereby the vendors have an option to sell, and the TF1 group has an option to acquire, additional equity interests of 15% in 2025 and 10% in 2028. As of the date control was obtained, provisional goodwill of €15 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was €29 million, including €9 million for the put option granted to the non-controlling shareholders. Following completion of the valuation of the reciprocal undertakings and the contingent consideration of €2 million in the second half of 2021, provisional goodwill amounted to €15 million as of 31 December 2021; the impact on net debt was €34 million, including €12 million for the put option granted to the non-controlling shareholders.

- On 17 May 2021, TF1, M6, Bouygues and RTL Group announced that they had signed agreements to enter into exclusive negotiations to merge the activities of TF1 and M6, creating a major French media group. Based on 2020 proforma figures, the merged entity would generate sales of approximately €3.4 billion and current operating profit in the region of €460 million. Bouygues and RTL Group support the transaction, on completion of which they would hold 30% and 16% of the new entity respectively, following the acquisition by Bouygues of an 11% stake from RTL Group for €641 million. Bouygues would exercise control, and would act in concert with RTL Group in a strategic partnership. The proposal has been approved unanimously by the Boards of Directors of TF1, Bouygues and RTL Group, and by the Supervisory Board of M6.

On 8 July 2021, the Bouygues group and RTL Group (of the one part) and TF1 and M6 (of the other part) announced the signature of agreements between the parties relating to the merger of the TF1 and M6 groups, following unanimous approval of the proposal by the employee representative bodies of Bouygues, TF1 and M6 on 24 June 2021. Closing of the transaction remains subject to regulatory approvals from the French competition authority (ADLC) and the French broadcasting authority (Arcom), and to approval by shareholder meetings. Closing of the transaction is expected by the end of 2022.

- In June 2021, Bouygues SA repurchased 350,000 of its own shares for €12 million, followed by a further 2,220,000 shares in the second half of 2021 for €76 million; all the shares were repurchased with a view to their cancellation.
- On 25 August 2021, Colas signed a memorandum of understanding to acquire 100% of the share capital of Destia Oy from the Finnish family-owned Ahlström Capital Group. Destia is a major player in the field of road, rail and energy infrastructure in Finland. With a workforce of over 1,600 people, Destia generated sales of €569 million and net profit of €17 million in 2021. Destia is consolidated in the financial statements of the Colas group with effect from 31 December 2021, given that the acquisition was completed at the end of the financial year. As of the date control was obtained, provisional goodwill of €213 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was €222 million (excluding acquisition costs).

- On 6 September 2021, Bouygues announced that it had submitted a non-binding offer to Engie to acquire Equans, as part of Bouygues' strategy of creating a major player in multi-technical services within the Group. As stated on 26 August at its first-half 2021 results presentation, Bouygues will not require a capital increase to finance this acquisition. The Bouygues offer was one of five selected by Equans in September to proceed to the second phase of the sale process.

On 2 November 2021, Bouygues submitted a new and binding offer to Engie to acquire Equans.

On 5 November 2021, the Bouygues and Engie groups signed a purchase agreement under which Bouygues agreed to acquire all of the Equans group, based on an enterprise value of €6.7 billion. The deal had already received a favourable opinion from the relevant employee representative bodies within the Bouygues group (Bouygues SA, Bouygues Construction and Bouygues Energies & Services, and the Bouygues European Works Council). The process of informing and consulting the employee representative bodies of Engie and Equans is ongoing in accordance with current legislation. Completion of the deal is subject to finalisation of the scope of the Equans group and the customary suspensive conditions (i.e. obtaining the necessary clearances with respect to competition law and foreign investment rules). Final completion of the deal is expected in the second half of 2022.

- On 27 October 2021, Bouygues carried out an €800-million bond issue maturing 11 February 2030, bearing interest at 0.5%.
- On 17 December 2021, Bouygues Telecom and Vauban Infrastructures Partners (a BPCE group company) signed an agreement on a project to accelerate the roll-out of FTTH lines by co-funding around 20 million premises outside the Very Dense Zone (AMII zone, AMEL zone, and Public Initiative Network zones). A newly-created special company, SDFast (Société de Développement de la Fibre au service des territoires) will contribute to the co-financing and roll-out of fibre optics in France, with the aim of acquiring indefeasible right of use (IRU) of FTTH lines from infrastructure operators. The special purpose vehicle will be able to supply the full range of FTTH access services to Bouygues Telecom and to third-party operators. The deal, which is due to complete in the first half of 2022, will be accompanied by a divestment of fibre optic assets; consequently, those assets have been classified within "Held-for-sale assets or operations" in the balance sheet as of 31 December 2021, at an amount of €26 million.

1.2.2 Reminder of significant events of 2020

The principal corporate actions and acquisitions of 2020 are described below:

- On 20 January 2020, Bouygues Construction extended its arbitration proceedings against Alpiq by increasing the amount of its initial claim from CHF205 million to CHF319 million (€295 million at the 31 December 2020 exchange rate) plus interest. On 22 December 2020, the two parties agreed a settlement to end the arbitration proceedings, under which Alpiq reimbursed CHF54.5 million, split CHF51.5 million (€47 million) for Bouygues Construction and CHF3 million (€2 million) for Colas. Because this adjustment occurred more than 12 months after the acquisition of Alpiq Engineering Services, it was recognised as a gain for accounting purposes in the fourth quarter of 2020 in "Other operating income", net of litigation costs.

- On 30 January 2020, Bouygues Construction was the target of a ransomware attack caused by malware. Bouygues Construction initially shut down its IT system as a precaution to prevent the virus from spreading, and specific measures were taken to ensure business continuity in France and abroad. Steps were taken immediately to restore information systems. No worksites were shut down. An exceptional response from across the entire company, and by experts from within and outside the Bouygues group, meant that Bouygues Construction was able to meet all its commitments. As of 31 December 2020, all services and applications had been restored. As of 31 December 2021, discussions with insurers are ongoing, and a complaint filed with the competent authorities is still under investigation.

- On 17 February 2020, Alstom announced the signature of a memorandum of understanding with Bombardier Inc. and the Caisse de dépôt et placement du Québec to acquire Bombardier Transportation, the rail division of Bombardier (Canada). The price for 100% of Bombardier Transportation's shares would be settled partly in cash, and partly in newly-issued Alstom shares. The transaction was completed on 29 January 2021 (see Note 1.2.1).

On 3 November 2020, Bouygues sold 11 million Alstom shares (representing approximately 4.8% of the share capital), generating proceeds of €450 million net of transaction costs. The gain on the sale, amounting to €87 million, was recognised in the fourth quarter of 2020.

On 16 November 2020, Alstom announced a rights issue of approximately €2 billion in connection with its proposed acquisition of Bombardier Transportation. On 17 November 2020, Bouygues sold 16.45 million of its Alstom pre-emptive subscription rights ("PSRs") at a price of €2.95 per PSR (representing a total of approximately €49 million) through an accelerated bookbuild offering to qualified investors (the "Offering"). Bouygues sold sufficient PSRs to enable it to fund the exercise of its remaining Alstom PSRs, and thereby to participate in the rights issue in an "opération blanche". This transaction confirmed Bouygues' support for Alstom's strategy and proposed acquisition of Bombardier Transportation, without committing extra capital. Settlement of the Offering took place on 19 November 2020. Bouygues recognised a gain on dilution of €31 million in the fourth quarter of 2020. On completion of this transaction, Bouygues committed to retaining its Alstom shares for a 90-day period ending on 7 March 2021. As of 31 December 2020, Bouygues held a 7.99% equity interest in Alstom.

This residual interest continued to be accounted for by the equity method in "Investments in joint ventures and associates" as of 31 December 2020, significant influence being established by the presence of Bouygues SA and Olivier Bouygues on the Alstom Board of Directors.

- On 26 February 2020, Bouygues Telecom and Cellnex signed a strategic agreement setting up a company to roll out, market and manage a national fibre optic network (FTTA and FTTO). Effective completion of the transaction occurred on 29 May 2020. Bouygues Telecom signed a long-term service agreement with the new company, which is controlled by Cellnex. The project, worth approximately €1 billion over seven years (to 2027), will enable Bouygues Telecom to link its network infrastructure (mobile towers and fibre optic nodes) via fibre, so that the company can meet growing data

usage demand on its networks and extend its footprint in the business and wholesale fixed telecoms markets. As of 31 December 2020, Bouygues Telecom had invested €15 million and held a 49% equity interest in the new company, over which it exercises significant influence. Bouygues Telecom has a call option over the remaining shares exercisable between 15 January and 15 June 2040 and at five-year intervals to 2050, which would give it control over the new company.

- On 19 March 2020, Bouygues Telecom and Phoenix Tower International (a Blackstone portfolio company based in the United States, specialising in mobile infrastructure construction) implemented an agreement to set up a new company to roll out up to approximately 4,000 new mobile sites in France over a 12-year period outside very dense areas. The new company, controlled by Phoenix Tower International, will own and manage the sites. Some of the sites will be deployed to meet Bouygues Telecom's regulatory obligations under the "New Deal Mobile" programme, which aims to deliver targeted improvements in mobile coverage and accelerate the roll-out of the mobile network along transport arteries. The new company has sufficient size and coverage to make it a high-potential infrastructure operator in the French market. As of 31 December 2020, Bouygues Telecom had invested €3 million and held a 40% equity interest in the new company, over which it exercises significant influence. Bouygues Telecom has a call option over the remaining shares exercisable between 15 January and 15 July 2034 and at five-year intervals to 2049, which would give it control over the new company.
- On 7 April 2020, Bouygues carried out a €1 billion bond issue maturing 24 July 2028, bearing interest at 1.125%. The €1 billion bond issue carried out on 22 July 2015 was redeemed at maturity on 22 July 2020.
- On 23 April 2020, Bouygues Telecom and Vauban Infrastructures Partners (a BPCE group company) announced the signature of a strategic agreement to ramp up the roll-out of FTTH in medium dense areas served by Orange under private investment deals (AMII and AMEL zones, representing around 13 million premises). Effective completion of the transaction occurred on 29 June 2020. Bouygues Telecom created a special purpose vehicle called Société de Développement pour l'Accès à l'Infrastructure Fibre (SDAIF) and launched a call for bids at the end of 2019; as a result of that process Vauban Infrastructure Partners, acting on behalf of its funds, was chosen to be SDAIF's new majority shareholder. SDAIF, over which Bouygues Telecom exercises significant influence, will acquire long-term access rights from Orange, helping to co-finance fibre optics alongside the main French operators. More than €1 billion will be invested over the next four years.

On the formation of SDAIF, Vauban Infrastructure Partners and Bouygues Telecom agreed to subscribe to the share capital of the new company. Bouygues Telecom contributed to the new company (i) a service contract, with an undertaking to access FTTH premises in medium dense areas solely via SDAIF for a 30-year period at a pre-determined price; and (ii) a supply contract enabling SDAIF to purchase FTTH premises from Orange. SDAIF can also offer the same access services to third-party operators. The transaction valued Bouygues Telecom's 49% equity interest in SDAIF at €295 million as of 29 June 2020, comprising (i) €272 million for the service and supply contracts, which will be recognised in current operating profit over the term of the contract, and (ii) €23 million for the capital increase to be carried out by Bouygues Telecom. As of 31 December 2020, Bouygues Telecom's interest in SDAIF was measured at €286 million. As of 31 December 2021, it was measured at €280 million.

Bouygues Telecom has an option to buy out some or all of the shares of SDAIF exercisable between 15 March and 15 June each year from 2024 to 2027, and then every five years from 2030 to 2050.

Finally, Bouygues Telecom sold to SDAIF the access rights it had already acquired from Orange, generating in the second quarter of 2020 disposal proceeds of €185 million and a gain of €17 million (recognised in current operating profit) for the 51% share not held by Bouygues Telecom.

- On 17 June 2020, the Paris Court of Appeal ordered Orange to pay €250 million in damages to Digicel, the company to which Bouygues Telecom sold its operations in the French Antilles in 2006. Under the terms of the purchase agreement, Digicel is required to pass on to Bouygues Telecom a portion of the financial penalties received by Digicel.

On 9 December 2020, an amount of €90 million was received, in return for setting up a demand guarantee as security for the full or partial reimbursement of the sum by Bouygues Telecom in the event the decision is overturned on appeal. At this stage in the case, no gain was recognised in the income statement for the year ended 31 December 2020, and the amount received was recognised within "Cash and cash equivalents" in the balance sheet, with a matching liability recognised in "Other current liabilities". In the cash flow statement for the year ended 31 December 2020, it was included in net cash flows from investing activities, within the line item "Proceeds from disposals of investments in consolidated activities".

- On 25 June 2020, Bouygues Telecom signed an exclusivity agreement with Euro-Information (a Crédit Mutuel group company) with a view to acquiring 100% of the share capital of its subsidiary Euro-Information Telecom (EIT), France's leading alternative telecoms operator, and to concluding an exclusive distribution agreement between Crédit Mutuel, CIC and Bouygues Telecom. EIT has more than 2 million customers and generated sales of €518 million in 2019. Effective completion of the transaction occurred on 31 December 2020, after it obtained clearance from the French Competition Authority. The purchase price comprises fixed consideration of €596 million paid on closing plus contingent consideration of between €140 million and €325 million, payable over a number of years subject to attainment of economic performance criteria. The acquisition was partially funded by a rights issue subscribed by Bouygues Telecom shareholders. As of the date control was obtained, provisional goodwill of €756 million was recognised and the impact on net debt was €827 million, based on an estimate of the contingent consideration. At the end of the 12-month purchase price allocation period the provisional goodwill became final, and was measured at €670 million as of 31 December 2021 after the purchase price allocation and adjustments for contingent consideration.
- On 4 September 2020, a General Meeting of Bouygues shareholders approved payment of a dividend of €1.70 per share in respect of the 2019 financial year, representing a total of €646 million that was paid out in the third quarter of 2020. Because the Group has a particularly solid financial position and a high level of available cash, this dividend payout could be made while retaining sufficient liquidity to cope with the consequences of the health crisis, develop the Bouygues group's existing activities, and maintain a low level of indebtedness.

- Between 29 September and 1 October 2020, French telecoms regulator Arcep conducted an auction to award 3.5 GHz frequencies in the “core 5G band” (3.4-3.8 GHz). On completion of the auction, Bouygues Telecom obtained a total of 70 MHz for €602 million, net of spectrum clearing costs (a 50 MHz block for €350 million, plus two 10 MHz blocks for €126 million each). Payments will be spread over 15 years for the first block and over 4 years for the other two; a payment of €87 million was made at the end of 2020. Spectrum clearing costs for 2020 amounted to €6 million, which had not been disbursed as of 31 December 2020.

- Consequences of the Covid-19 pandemic

- Impacts on the Group’s activities

The Covid-19 pandemic, and the lockdown measures implemented in France and other countries where the Group has operations, led to a sharp decline in activity for the Group’s business segments in 2020. The contraction was concentrated in the first half of the year, with both activity levels and profits recovering strongly in the second half.

- The construction businesses were affected in France by the almost complete shutdown of worksites starting in the last two weeks of March 2020 in line with the lockdown measures, followed by a gradual resumption of activity from 15 April and the postponement of the second round of the French municipal elections to the end of June. To a lesser extent, the businesses were affected by a slowdown or shutdown of operations in other geographies (including Italy, the United Kingdom, Canada, French-speaking Switzerland, Singapore, and the Philippines). By mid-July 2020, virtually all worksites had reopened in France, and activity levels were back to near-normal levels in many other countries. Activity also resumed gradually in Singapore from mid-August. And in France, there was a strong catch-up in activity during the second half, helped by the signature of a Group-wide agreement allowing for increased working hours and days.

TF1 was affected by advertising campaigns being postponed or pulled on a massive scale from mid-March onwards, with the effects intensifying in the second quarter, and also by the shutdown of shooting during lockdown. There was a gradual resumption of shooting and production from mid-May. At the same time, scheduled events such as cinema releases, live shows and concerts were severely impacted or (in some cases) remained shut down until the end of the year. However, full-year 2020 results showed that the TF1 group had succeeded in adapting its programming schedules and managing its programme costs in response to the crisis. Finally, Bouygues Telecom was less severely affected by

Covid-19, despite the closure of retail outlets during lockdown and reduced roaming sales due to a slump in intercontinental travel and the closure of some borders.

While maintaining the health and safety of their employees, subcontractors and customers as their number one priority, the Group’s business segments gradually resumed operations as soon as possible, and took the necessary steps to limit the impacts of the crisis on profitability (including negotiations with customers on sharing excess Covid-19-related costs, and cost saving plans in all business segments).

In response to the health crisis and in light of the resulting economic uncertainties, Bouygues has been keen to act responsibly and show solidarity with the major sacrifices being expected of its stakeholders, especially its employees. The Group decided not to defer payments on account of corporate income taxes or social security contributions.

- Estimated impacts of the Covid-19 crisis on the 2020 financial year

The Covid-19 pandemic led to a reduction in sales. Current operating profit was impacted by the erosion of the current operating margin in the business segments, reflecting not only the reduction in sales but also unavoidable costs incurred in the three sectors of activity in spite of flexibility measures. Those costs mainly comprise fixed personnel costs (staff working part-time or not at all, net of any government support received); unoccupied premises; idle plant and equipment; and measures taken to ensure employees working on site are protected from health risks.

Due to the resumption of the Group’s activities, it is no longer possible to quantify separately the impact of Covid-19 on the Group’s year-on-year performance in the second half of the year. As a reminder, the year-on-year sales performance for the first half of 2020 was adversely affected by approximately €2.8 billion as a result of the Covid-19 crisis. The year-on-year current operating profit performance for the first half of 2020 was adversely affected by approximately €0.65 billion as a result of the Covid-19 crisis.

1.3 Significant events and changes in scope of consolidation subsequent to 31 December 2021

None.

Note 2 Group accounting policies

2.1 Sectors of activity

Bouygues is a diversified services group organised into three sectors of activity:

- Construction businesses:
 - Construction and services (Bouygues Construction);
 - Property development (Bouygues Immobilier);
 - Transport infrastructure (Colas).
- Media:
 - The TF1 group (“TF1”).
- Telecoms:
 - Mobile, fixed, TV and internet services (Bouygues Telecom).

2.2 Basis of preparation of the financial statements

The consolidated financial statements of the Bouygues group include the financial statements of Bouygues SA and its five business segments.

The consolidated financial statements were closed off by the Board of Directors on 23 February 2022, and will be submitted for approval by the forthcoming Annual General Meeting on 28 April 2022.

The consolidated financial statements for the year ended 31 December 2021 are expressed in millions of euros and were prepared in accordance with IFRS using the historical cost convention, except for certain financial assets and liabilities measured at fair value where this is a requirement under IFRS. They include comparatives as of and for the year ended 31 December 2020; the balance sheet, statement of recognised income and expense and statement of changes in shareholders’ equity as of that date have been restated to reflect the IFRS Interpretations Committee (IFRS IC) agenda decision on IAS 19, as described below.

The Bouygues group applied the same standards, interpretations and accounting policies in the year ended 31 December 2021 as were applied in its consolidated financial statements for the year ended 31 December 2020, except for changes required to meet new IFRS requirements applicable in 2021.

- Principal amendments effective within the European Union and applicable in 2021

- **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16**

On 27 August 2020, the IASB issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (phase 2) in connection with interest rate benchmark reform. Those amendments were endorsed by the European Union on 13 January 2021, and are applicable retrospectively from 1 January 2021.

The impact of the amendments on the Group is immaterial.

- **IFRS IC agenda decision on IAS 38**

In April 2021, the IASB approved the December 2020 agenda decision of the IFRS IC on accounting for the costs of configuring or customising application software in a Software as a Service (SaaS) arrangement. Depending on their nature, such costs are generally recognised as an expense, either immediately or over the term of the contract. An analysis of those costs within the Group is ongoing, and will be finalised in 2022. At this stage, the impact on the Group would appear to be immaterial.

- **IFRS IC agenda decision on IAS 19**

In May 2021, the IASB approved the December 2020 agenda decision of the IFRS Interpretations Committee (IFRS IC) on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits. The most commonly-applied approach used in France (including by Bouygues) was to attribute the benefit on a straight line basis over the entire period from the date an employee joins the retirement benefit scheme to the date of retirement. However, the IFRS IC took the view that the benefit should only be attributed on a straight line basis over the specified number of pre-retirement years of service at which the benefit entitlement is capped. The effects of applying this decision are as follows:

- As of 1 January 2020: an increase in published shareholders’ equity of €64 million. Provisions for lump-sum retirement benefits were reduced by €83 million, and deferred tax liabilities were increased by €9 million. On the assets side of the balance sheet, deferred tax assets decreased by €11 million, and investments in joint ventures and associates increased by €1 million.
- As of 31 December 2020: an increase in published shareholders’ equity of €69 million, representing a €6 million positive movement (net of deferred taxes) during 2020 in the reserve for actuarial gains and losses, partly offset by a €1 million negative movement in consolidation reserves. There was no impact on the consolidated income statement for the year ended 31 December 2020. Provisions for lump-sum retirement benefits were reduced by €90 million, and deferred tax liabilities were increased by €10 million. On the assets side of the balance sheet, deferred tax assets decreased by €12 million, and investments in joint ventures and associates increased by €1 million.

The time-lag between the accounting year-ends of Alstom (31 March) and Bouygues (31 December) means that the impact of applying this decision in the books of Alstom has not been reflected in the restated 2020 financial statements, insofar as Alstom will not disclose the impact on its own shareholders’ equity until publication of its annual results for the year ending 31 March 2022. The impact on the Bouygues financial statements is expected to be immaterial, as the majority of the Alstom shares held by Bouygues have since been divested (see Note 1.2.1).

- Exercise of judgement and use of estimates

In preparing consolidated financial statements to comply with IFRS standards and interpretations, the Group uses estimates and assumptions which may have affected the amounts reported for assets, liabilities and contingent liabilities at the end of the reporting period, and the amounts of income and expenses reported for the period.

These estimates and assumptions have been applied consistently on the basis of past experience and of various other factors regarded as reasonable forming the basis of assessments of the valuations of assets and liabilities for accounting purposes. Actual results may differ materially from these estimates if different assumptions or conditions apply.

The main items involved are the impairment testing of goodwill and equity investments; the measurement of identifiable assets and liabilities in a purchase price allocation; employee benefits (lump-sum retirement benefits, pensions, etc.); the fair value of unlisted financial instruments; the recoverability of deferred tax assets, especially where there is a history of tax losses over a number of years; provisions (for litigation and claims, etc.);

review of contracts to determine whether they contain a lease; factors taken into account when restating leases (lease terms and incremental borrowing rates, as described respectively in Notes 2.7.2 and 2.11.2); and end-of-contract margins on construction and property development contracts (see Note 2.13.1).

Group management has exercised judgement in the application of IFRS to certain transactions, in particular in (i) determining the level of control exercised over certain entities (for example, in network or infrastructure sharing agreements); (ii) identifying whether a contract is a lease, and especially whether substantive substitution rights exist; (iii) analysing contingent consideration in business combinations; and (iv) identifying separate performance obligations for revenue recognition purposes.

Where no standard or interpretation applies to a specific transaction, Group management adopts accounting policies that will provide relevant information that gives a fair presentation and is comparable between periods, such that the consolidated financial statements:

- represent faithfully the financial position, financial performance and cash flows of the Group;
- reflect the economic substance of the underlying transactions; and
- are neutral, prudent, and complete in all material respects.

Disclosures about judgements made by management are provided in the notes to the consolidated financial statements.

In preparing the financial statements, the Group has analysed the potential impacts of climate change. That analysis did not materially call into question the useful lives and residual values of non-financial assets such as property, plant and equipment, intangible assets, goodwill, or rights of use of leased assets.

- Held-for-sale assets and operations and discontinued operations

A non-current asset, or a group of directly-associated assets and liabilities, is regarded as being held for sale if its carrying amount will be recovered primarily through a sale rather than through continuing use. For this to be the case, the asset must be available for immediate sale, and its sale must be highly probable. Such held-for-sale assets or asset groups are measured at the lower of the carrying amount or the estimated selling price less costs to sell.

A discontinued operation is one that is material to the Group (having been treated as a Cash Generating Unit) and that has either been disposed of or classified as a held-for-sale asset. Income statement and cash flow information about such discontinued operations is reported in separate line items in the consolidated financial statements for all periods presented.

2.3 Consolidation methods

2.3.1 Companies controlled by the Bouygues group

Companies over which Bouygues exercises control are consolidated.

- Assessment of control over TF1:

As of 31 December 2021, Bouygues held, directly or indirectly, 43.68% of the capital and voting rights of TF1. All the factors mentioned below, taken collectively, establish that the Bouygues group exercises control over TF1:

- Bouygues has the power to direct the relevant activities of TF1. The Bouygues group:
 - has consistently and regularly held a large majority of the voting rights exercised at TF1 general meetings, and no other shareholder directly or indirectly controls a higher share of voting rights than Bouygues; and
 - has had exclusive power to determine decisions at TF1 general meetings during at least two consecutive financial years.
- Bouygues has exposure and rights to variable returns. Due to its 43.68% equity interest, the Bouygues group has high exposure to variable returns from TF1 in the form of dividends.
- Bouygues has the ability to affect the returns it obtains through the power it exercises. The Bouygues group:
 - holds five of the 11 seats on the TF1 Board of Directors; and
 - has a dominant role in appointing key executives of TF1.

2.3.2 Jointly-controlled companies

A joint venture or joint operation derives from a contractual arrangement whereby two or more parties undertake an economic activity which is subject to joint control. In the case of joint operations (which give each party direct rights over the assets and obligations for the liabilities), the assets, liabilities, income and expenses of the joint operation are consolidated in accordance with the interests held in the joint operation. Joint ventures, which give the parties rights over the net assets, are accounted for using the equity method.

2.3.3 Companies over which Bouygues exercises significant influence

An associate is a company over which Bouygues exercises significant influence without exercising control. Significant influence is presumed to exist where Bouygues directly or indirectly holds at least 20% of the entity's voting rights. The net profit or loss and the assets and liabilities of such entities are consolidated by the equity method.

2.4 Business combinations

Since 1 January 2010, business combinations have been accounted for in accordance with the revised IFRS 3.

In a business combination, goodwill at the acquisition date represents (i) the sum total of the consideration transferred (i.e. acquisition price) and non-controlling interests minus (ii) the net amount recognised (usually at fair value) for the identifiable assets acquired and liabilities assumed, adjusted to reflect the fair value remeasurement of any previously-acquired equity interest. The revised IFRS 3 allows entities to elect one of two methods of accounting for non-controlling interests in each business combination:

- at fair value (full goodwill method), i.e. the non-controlling interests are allocated their share of goodwill; or
- at the non-controlling interests' proportionate share of the acquired entity's identifiable assets and liabilities (partial goodwill method), i.e. no share of goodwill is allocated to the non-controlling interests.

Fair value is the price that would be received for selling an asset or paid for transferring a liability in an arm's length transaction between market participants as of the date of measurement.

Goodwill is allocated to the Cash Generating Unit (CGU) benefiting from the business combination or to the group of CGUs at the level of which return on investment is measured (business segment for the Bouygues group).

The purchase price allocation period is limited to the time required to identify and measure the acquired entity's assets and liabilities, the non-controlling interests, the consideration transferred and the fair value of any previously-held equity interest, subject to a maximum period of 12 months.

Amortisation of intangible assets recognised in a purchase price allocation is charged against current operating profit, in the same way as for depreciation of property, plant and equipment.

Negative goodwill (i.e. gain from a bargain purchase) is taken to the income statement in the period in which the acquisition is made.

Subsequently, goodwill is carried at cost net of any impairment losses identified annually using the methods described in the sections on impairment testing in Note 2.7.5 ("Impairment testing of non-current assets, joint ventures and associates"), in accordance with IAS 36. Impairment losses are charged to the income statement as an operating item. In accordance with the revised IFRS 3, the previously-held equity interest in a step acquisition is remeasured at fair value through profit or loss on the date when control is obtained. In the event of loss of control with a retained equity interest, that retained interest is remeasured at fair value; the gain or loss on remeasurement is recognised in profit or loss, along with the gain or loss arising on the disposal.

In the event of a change in percentage interest with no effect on control, the difference between the consideration transferred and the carrying amount of the non-controlling interest is recognised directly in equity attributable to the Group. Consequently, no additional goodwill is recognised.

Acquisition-related costs are recognised within non-current operating profit for the period if material.

In the event of a partial divestment of the component operations of a CGU, the Bouygues group usually allocates the goodwill in proportion to the value of the divested operation relative to the value of the CGU as measured at the date of divestment, unless it can be demonstrated that another method better reflects the goodwill of the divested operation; this policy complies with paragraph 86 of IAS 36.

Goodwill recognised prior to 1 January 2004 continues to be measured using the partial fair value method. Non-controlling interests are measured on the basis of the carrying amount of the relevant items as shown in the balance sheet of the acquired entity.

2.5 Foreign currency translation

2.5.1 Transactions denominated in foreign currencies

Transactions denominated in foreign currencies are translated into euros at the average exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at the closing exchange rate. Translation differences are

recognised in profit or loss for the period. Non-monetary assets and liabilities denominated in foreign currencies and accounted for at historical cost are translated using the exchange rate on the date of the transaction.

2.5.2 Financial statements of entities with a functional currency other than the euro

All assets and liabilities of consolidated entities with a functional currency other than the euro are translated at the closing exchange rate. Income and expenses are translated at the average exchange rate for the period. Translation differences arising from this treatment, and arising from the retranslation of a subsidiary's opening shareholders' equity at the closing exchange rate, are taken to the translation reserve (which is a component of consolidated shareholders' equity). Translation differences arising on the net investment in foreign subsidiaries and associates are recognised in shareholders' equity.

2.6 Assessment of income taxes

Deferred taxation is recognised on differences between the carrying amount and tax base of assets or liabilities, and arises as a result of:

- temporary differences between the carrying amount and tax base of assets or liabilities, which may be:
 - items generating a tax liability in the future (deferred tax liabilities), arising mainly from income that is liable to tax in future periods,
 - items deductible from taxable profits in the future (deferred tax assets), mainly provisions that are temporarily non-deductible for tax purposes. Such assets are recognised to the extent that it is probable that sufficient taxable profits will be available against which to offset the temporary differences, and are reviewed at the end of each reporting period;
- tax losses available for carry-forward (deferred tax assets), where it is probable that these losses will be recovered in future periods.

Deferred taxes are measured using national tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted in the relevant country by the end of the reporting period. As of 31 December 2021, the temporary differences and tax losses available for carry-forward of French entities were measured at the enacted rate of 25.83% for 2022 and later.

Deferred taxes are not discounted, and are reported in non-current assets and liabilities.

2.7 Non-current assets

2.7.1 Property, plant and equipment

Property, plant and equipment is measured at acquisition cost net of accumulated depreciation and impairment. Depreciation is recognised on a straight-line basis over the estimated useful life of the asset.

2.7.1.1 Principal useful lives by main asset category and sector of activity

	Construction	Media	Telecoms
Mineral deposits (quarries)	a		
Non-operating buildings	10 to 40 years	25 to 50 years	
Industrial buildings	10 to 20 years		30 years
Plant, equipment and tooling ^b	3 to 15 years	3 to 7 years	10 to 30 years
Other property, plant and equipment (vehicles and office equipment) ^b	3 to 10 years	2 to 10 years	3 to 10 years

(a) Depreciated on the basis of the rate of depletion, up to a maximum of 40 years (Colas).

(b) Depending on the type of equipment.

In accordance with IAS 16, when an item of property, plant and equipment consists of components with different useful lives, each component is accounted for and depreciated as a separate item of property, plant and equipment.

Gains and losses on disposal represent the difference between the sale proceeds and the carrying amount, and are recognised in the income statement under "Other income from operations", unless they meet the criteria for classification within "Other operating income and expenses" (see Note 2.13.2).

Depreciation periods are reviewed annually, and may be adjusted if expected use differs from previous estimates.

2.7.1.2 Grants received

Investment grants received from national, regional or local governments are netted off the value of the assets concerned in the balance sheet, and depreciated at the same rate as those assets once receipt of the grant becomes unconditional.

2.7.2 Right of use of leased assets

IFRS 16 defines the right of use under a lease as an asset that represents a lessee's right to use an underlying asset for the lease term.

This right of use is recognised by the Bouygues group on the commencement date of the lease (the date on which the asset is made available). It is measured at cost, which includes:

- the initial amount of the lease obligation (see Note 2.11.2);
- lease payments made in advance to the lessor, less any lease incentives received from the lessor;
- material initial direct costs incurred by the lessee to obtain the lease, i.e. costs that would not have been incurred if the lease had not been obtained; and
- an estimate of the costs of dismantling the leased asset, or restoring it to the condition required by the terms of the lease.

The right of use asset is amortised on a straight line basis over the lease term. It is written down by means of an impairment allowance if there is an indication that it may have become impaired.

The lease term is the non-cancellable period for which the lessee has the right to use the underlying asset, including any extension or termination options the lessee is reasonably certain to exercise.

Within the Bouygues group, rights of use relate mainly to property leases contracted by the various business segments within France, and leases of radio sites and optical fibres at Bouygues Telecom. Property leases in France typically have a lease term of nine years.

2.7.3 Intangible assets

IAS 38 defines an intangible asset as an identifiable non-monetary asset without physical substance which is controlled by the entity. An asset is identifiable:

- if it is separable, i.e. capable of being independently sold, transferred, licensed, rented or exchanged; or
- if it is derived from contractual or other legal rights, whether separable or not.

An asset is controlled if the entity has the power to obtain the future economic benefits from that asset and to restrict the access of others to those benefits.

Intangible assets with finite useful lives are depreciable. Intangible assets with indefinite useful lives are not depreciable, but are subject to annual impairment testing and are reviewed at the end of each reporting period to ensure that their useful lives are still indefinite.

Intangible assets include:

- development expenses, which are capitalised if they are expected to generate future economic benefits and can be reliably measured; and
- concessions, patents and similar rights.

In accordance with IFRS, incorporation and research expenses are expensed as incurred.

Intangible assets include the following assets held by Bouygues Telecom:

Type of asset	Amortisation method	Period
UMTS licence	Straight line	17.5 years ^a
IAP-IRU and front fees (Indefeasible Right of Use)	Straight line	25 years
Software, IT developments, office applications	Straight line	3 to 8 years
Licence to use the 2.6 GHz, 800 MHz and 700 MHz frequencies	Straight line	20 years ^b
Licence to use 3.5 GHz frequencies	Straight line	15 years ^c

(a) UMTS licence awarded in 2002 for a 20-year period: amortised from the date on which the broadband network opened (26 May 2005). The licence fee comprises (i) a fixed component of €619m, recognised as an intangible asset on the date the licence was awarded (12 December 2002), and (ii) a variable component, calculated at 1% of sales generated by the operation of the third generation mobile network, recognised as incurred from the date on which the UMTS network opened (November 2007).

(b) The licences acquired in 2011 (2.6 GHz, for €228m) and 2012 (800 MHz, for €683m) were awarded for a 20-year period, and are being amortised from the date on which they came into service (1 October 2013), over 18 and 18.3 years respectively. The dates on which the 700 MHz frequencies are being brought into service depend on the dates of (i) transfer of digital terrestrial television transmission to the telecoms sector, (ii) opening to commercial use and (iii) rate of coverage of the population.

(c) The licences acquired in 2020 – 3.5 GHz (5G) for €602m – were awarded for a 15-year period, and are being amortised over 15 years from the date on which they came into service (1 December 2020); see Note 1.2.2.

2.7.4 Other intangible assets

Other intangible assets recognised by the Group include audiovisual rights owned by TF1.

Audiovisual rights

This item includes shares in films and audiovisual programmes produced or co-produced by TF1 SA, TF1 Films Production and TF1 Production; audiovisual distribution and trading rights owned by TF1 Studios and TF1 Entertainment; audiovisual rights produced by Newen; and music rights owned by TF1 group entities.

Audiovisual rights are recognised as assets, at historical acquisition cost.

Amortisation methods for the various categories of audiovisual rights are as follows:

- producer shares in French drama acquired by broadcasters: amortised on a straight-line basis over the projected period of rights exploitation, taking account of the expected decline in value of their economic benefits;
- producer shares in French drama produced by TF1: amortised on a reducing balance basis, taking account of the expected decline in value of their economic benefits;
- shares in film co-productions and audiovisual distribution rights: amortised on a reducing balance basis, taking account of the expected decline in value of their economic benefits;
- audiovisual trading rights: amortised on a straight-line basis over the contract term or expected period of exploitation; and
- music rights: amortised over two years, 75% of gross value in the first year and the remaining 25% in the second year.

A provision for impairment of audiovisual rights is recorded individually as required, based on an analysis of the future economic benefits derived from the rights relative to their carrying amount.

2.7.5 Impairment testing of non-current assets, joint ventures and associates

Impairment tests are carried out on the carrying amount of non-current assets and investments in joint ventures and associates if there is objective evidence that they may have become impaired.

The carrying amounts of indefinite-lived intangible assets and goodwill are compared to their recoverable amounts at least at the end of each financial year.

2.7.5.1 Impairment testing of TF1, Colas, Bouygues Telecom and Bouygues Construction

In determining the recoverable amount, intangible assets to which independent cash flows cannot be directly allocated are grouped within the CGU to which they belong, or within the appropriate group of CGUs representing the lowest level at which management monitors return on investment (business segment level in the case of the Bouygues group). The recoverable amount of CGUs is measured as follows:

- For TF1 and Colas, which are listed on the stock market: on the basis of the quoted share price if this exceeds the carrying amount of the assets (after allowing for a control premium where applicable); or by using the Discounted Cash Flow (DCF) method as described below, taking account of the specific characteristics of the investment.

- For Bouygues Telecom and Bouygues Construction: using the DCF method, taking account of the specific characteristics of each investment:

- The cash flows used are derived from three-year business plans prepared by the management of the business segment and presented to the subsidiary's Board of Directors and to the Bouygues Board of Directors, with cash flows beyond the three-year plan time horizon also used where appropriate.
- The discount rate is determined on the basis of a weighted average cost of capital, in the case of equity by reference to a panel of comparable companies, and in the case of debt by applying two alternative capital structure scenarios: 1/3 debt – 2/3 equity (scenario 1); 2/3 debt – 1/3 equity (scenario 2).
- The terminal value is calculated by aggregating the discounted cash flows to infinity, based on normative cash flows after lease expenses and a perpetual growth rate.

The recoverable amount of the assets of the CGU as determined above is then compared with their carrying amount in the consolidated balance sheet, after including right of use assets and deducting lease obligations:

- If the recoverable amount exceeds the carrying amount in both scenarios, sensitivity to each of the parameters is analysed on the basis of the two scenarios.
- If the recoverable amount is less than the carrying amount in either or both of the scenarios a more detailed analysis is performed to determine the recoverable amount, for example by using an independent valuer.

If the carrying amount in the consolidated balance sheet is greater than the recoverable amount, an impairment loss is recognised. Any such losses are allocated in the first instance to any goodwill carried in the balance sheet, and may not be subsequently reversed.

The method used to take account of IFRS 16 in impairment testing (as described above) is an accepted transitional method.

2.7.5.2 Impairment testing of investments in joint ventures and associates

Because goodwill included in the carrying amount of a joint venture or associate is not reported separately, it is not tested separately for impairment, in line with IAS 36. If the carrying amount is greater than the recoverable amount, an impairment loss is recognised. Any such losses are offset against the carrying amount of the investment, and may be subsequently reversed.

2.7.6 Other non-current financial assets

Other non-current financial assets include loans and receivables (including advances to non-consolidated companies), deposits and caution money, and investments in non-consolidated companies (i.e. those over which the Group exercises neither control nor significant influence).

Investments in non-consolidated companies are measured at fair value, with changes in fair value taken either to shareholders' equity in "Items not reclassifiable to profit or loss" or to the income statement in "Other financial income" or "Other financial expenses", depending on the treatment elected by the Group for each individual investment.

Fair value is the market price for listed investments, and estimated value in use for unlisted investments. Value in use is determined using the most appropriate financial criteria for each individual investment.

Advances to non-consolidated companies, and other loans and receivables, are accounted for at amortised cost, determined using the effective interest method.

In the case of floating-rate loans and receivables, cash flows are periodically re-estimated to reflect changes in market interest rates, resulting in an adjustment to the effective interest rate and hence to the valuation of the loan or receivable.

Loans and receivables are accounted for at amortised cost. In accordance with IFRS 9, an impairment allowance is recognised on initial recognition to reflect the expected risk of loss during the next 12 months, and charged to profit or loss (see Note 3.2.5).

Concession arrangements and Public-Private Partnership (PPP) contracts

The Group (Bouygues Construction and Colas) holds equity interests in entities that have entered into concession arrangements or PPP contracts. These contracts, which are accounted for in accordance with IFRIC 12, are assessed on a case by case basis.

Under the financial receivable method, the initial receivable represents the fair value of the activity undertaken; this receivable is subsequently measured at amortised cost using the effective interest method as defined in IFRS 9.

Consequently, the receivable represents the fair value of the activity undertaken, plus cumulative interest calculated using the effective interest method, minus payments received from the grantor.

2.8 Current assets

2.8.1 Inventories

Inventories are stated at the lower of cost (first in first out or weighted average cost, depending on the nature of the business) or market price.

Where the realisable value of inventory is lower than cost, the necessary provision for impairment is recognised.

2.8.2 Property development programmes

Property development programme inventories are measured at cost; this includes land acquisition costs and taxes, construction and fitting-out costs, utilities connection costs, professional fees and ancillary costs.

All advertising costs are recognised in profit or loss as incurred.

Preliminary studies relating to property development programmes are recognised in inventory to the extent they are recoverable. If the probability of the programme being completed becomes low, especially if there is a risk of withdrawal of or appeal against building permits, the amount recognised is written down via a provision for impairment.

2.8.3 Programmes and broadcasting rights

In order to secure broadcasting schedules for future years, TF1 enters into binding contracts, sometimes for a period of several years, under which it acquires (and the other party agrees to deliver) programmes and sports transmission rights.

A programme is treated as ready for transmission and recognised in inventory when the following two conditions are met: technical acceptance (for in-house and external productions), and opening of rights (for external productions).

In the case of rights and programmes for which those two criteria have not been met (programmes not yet delivered, sports rights for which the right to broadcast is not activated until the date of the event, etc.), TF1 takes the view that it does not control the asset, since it has neither the right nor the ability

to broadcast the programme. Consequently, these rights are not recognised in the balance sheet.

However, any advance payments made to acquire such rights are recognised within "Trade payables".

The "Inventories" line item includes the following programmes and broadcasting rights:

- in-house productions, made by TF1 companies for TF1 channels; and
- external productions, comprising broadcasting rights acquired by TF1 channels.

The value of programmes and broadcasting rights is measured as follows:

- in-house production: overall production cost (direct costs plus a portion of indirect production costs); and
- broadcasting rights and co-productions: purchase cost, less consumption for the year calculated at the end of each reporting period.

TF1 SA programmes are deemed to have been consumed on transmission. If they are acquired for a single transmission, they are regarded as having been consumed in full at the time of this transmission. If they are acquired for two or more transmissions, consumption is calculated according to the type of programme using the rules described below (unless otherwise specified in the acquisition contract):

	Type of programme			
	Dramas with a running time of at least 52 minutes	Series	Films, TV movies and cartoons	Other programmes and broadcasting rights
%				
1st transmission	80	67	50	100
2nd transmission	20	33	50	

Based on an analysis conducted using recent historical data, patterns of consumption have changed, indicating a reduction in the future economic benefits of repeat broadcasts of series. As a result, it was decided to adjust the pattern of consumption for series from 1 January 2021 onwards, increasing the value consumed on first transmission to 67% and reducing the value consumed on second transmission to 33% for TF1 (versus 50% for each transmission up to and including 2020).

"Other programmes and broadcasting rights" in the table above refers to children's programmes (other than cartoons), light entertainment, plays, factual and documentary programmes, news, sport, and dramas with a running time of less than 52 minutes.

A provision for impairment is recorded once it becomes probable that a programme will not be transmitted, or if the contractual value at which it was recognised in inventory exceeds the value attributable to it using the rules described above. Probability of transmission is assessed on the basis of the most recent programming schedules approved by the TF1 programme department. If rights are resold, a provision is recorded once the sale is probable to cover any excess of the value at which the rights were initially recognised in inventory (or the amount of advance payments) over the actual or estimated selling price.

Programmes that have not been transmitted and the rights to which have expired are written off as a component of current operating profit, at which point any previously-recognised provisions are reversed.

Rights ordered under irrevocable contracts but not yet available for transmission are disclosed in Note 4.1, and are priced at the contractual amount or the estimated future cash outflow (in the case of output deals), less any advance payments made.

2.8.4 Trade receivables

Trade receivables are carried at face value, net of impairment recorded to reflect the probability of recovery. These receivables are usually short-term and non interest-bearing. They are measured at the original invoice amount, unless application of an implied interest rate would have a material effect.

For contracts accounted for using the percentage of completion method, trade receivables include invoices and statements issued as works are executed or services provided, and accepted by the project owner.

For Bouygues Telecom, when a subscription is sold along with a subsidised handset, this constitutes two separate performance obligations; the handset subsidy is recognised in "Trade receivables" and charged to profit or loss over the average life of the contract (see Note 2.13.1).

2.8.5 Customer contract assets

"Customer contract assets" (see Note 4.4) comprises:

- contract origination costs (mainly at Bouygues Telecom). These are incremental costs incurred to obtain a contract with a customer that would not have been incurred if the contract had not been obtained, and which qualify for recognition as an asset under IFRS 15. This mainly applies to variable consideration paid to distributors and retailers to acquire new customers. The resulting asset is charged to profit or loss over the average life of the customer contract;
- customer contract execution costs (mainly at Bouygues Telecom). These are line activation costs which qualify for recognition as an asset under IFRS 15; they are charged to profit or loss over the average life of the customer contract; and
- assets representing sales recognised on a percentage of completion basis where billing is contingent on the supply of other goods and services and/or on the attainment of contractually agreed milestones.

2.8.6 Other current receivables and prepaid expenses

Other receivables are carried at face value, net of impairment recorded to reflect the probability of recovery.

2.9 Financial instruments

Some Group entities use hedging instruments to limit the impact on the income statement of fluctuations in exchange rates and interest rates. The Group's policy on the use of financial instruments is described below.

2.9.1 Risks to which the Group is exposed

2.9.1.1 Currency risk

In general, the Bouygues group has little exposure to currency risk in routine commercial transactions, given that its international operations (primarily Bouygues Construction and Colas) do not involve exports. Where possible, expenses relating to a contract are incurred in the same currency as that in which the contract is billed. This applies to most projects executed outside France, on which local-currency expenses (sub-contracting and supplies) represent a much higher proportion than euro-denominated expenses. Exposure to currency risk is therefore limited to contract margins, and to any design work carried out in France. The Bouygues group also pays particular attention to risks relating to assets denominated in non-convertible currencies, and to country risk generally.

2.9.1.2 Interest rate risk

The Group's financial expenses have low sensitivity to interest rate risk, since the bulk of debt is at fixed-rate either in the form of fixed-rate bond issues, or via a portfolio of hedging instruments that convert floating-rate debt into fixed-rate debt.

Consolidated financial expenses would be only marginally affected by fluctuations in euro interest rates, or by a divergence in interest rate trends between the euro and other major currencies.

2.9.1.3 Commodities risk

In general, the Bouygues group has little exposure to commodities risk. The main exposure is in roads and construction activities, which can be sensitive to fluctuations in commodity prices (especially petroleum-based products); there is also some exposure to the prices of certain metals in the road safety/signalling, railway and construction activities. Hedges may be contracted on an as-needed basis in connection with specific contracts.

2.9.2 Principles applied to all hedging instruments

The only instruments used for hedging purposes are forward currency purchases and sales, currency swaps and purchases of currency options for hedging currency risk; interest rate swaps, future rate agreements, and purchases of caps and collars for hedging interest rate risk; cross-currency swaps for hedging currency and interest rate risk; and forward commodity purchases and sales, commodity swaps and commodity options for hedging commodities risk.

These instruments:

- are used solely for hedging purposes;
- are contracted solely with high-quality French and foreign banks; and
- carry no liquidity risk in the event of reversal.

Specific reports are prepared for those responsible for the management and supervision of the relevant Group companies describing the use of hedging instruments, the selection of counterparties, and more generally the management of exposure to currency risk, interest rate risk and commodities risk.

2.9.3 Hedging rules

2.9.3.1 Foreign exchange risk

Group policy is to hedge systematically all residual currency exposure relating to commercial transactions. If the future cash flow is certain, the currency risk is hedged by buying or selling currency forward, or by means of currency swaps. For some large contracts, options may be taken out for hedging purposes before the contract award has been confirmed; if the hedged item ceases to exist (for example, if the service is not provided or the contract is cancelled), the hedge is closed out immediately.

In the interests of efficiency, the currency positions of some Group entities may be managed centrally, which in some cases may result in the offset of matching positions (currency derivatives are used solely for hedging purposes).

2.9.3.2 Interest rate risk

Group policy is for each business segment to hedge some or all of its financial assets and liabilities, where those are foreseeable and recurring.

The aim is to control future interest expense by fixing the cost of debt using swaps and future rate agreements, or by limiting it through the use of caps, over a period equivalent to that of the financial liabilities to be hedged.

As with currency risk, the interest rate positions of some Group entities may, in the interests of efficiency, be managed centrally and partially offset.

2.9.3.3 Commodities risk

Group policy is for each business segment to hedge some or all of the exposure to movements in commodity prices on specific contracts, primarily in the roads activity.

2.9.4 Accounting methods

In general, the financial instruments used by the Group qualify for hedge accounting, which means that the hedging relationship is documented in accordance with the requirements of IFRS 9. Two types of accounting treatment are used:

- fair value hedges, in which changes in the fair value of the hedging instrument and changes in the fair value of the hedged item are recognised symmetrically in the income statement; or
- cash flow hedges, in which changes in the fair value of the hedging instrument are recognised in the income statement for the ineffective portion of the hedging relationship, and in shareholders' equity (until the hedge is closed out) for the effective portion.

As required by IFRS 9, the fair value measurement of derivative financial instruments takes account of credit risk (for derivative assets) and of own credit risk (for derivative liabilities). Those components have no material impact on the Bouygues group consolidated financial statements.

2.10 Consolidated shareholders' equity

Treasury shares are deducted from consolidated shareholders' equity. If a Group subsidiary holds its own shares, an additional percentage interest in that subsidiary is recognised at Group level.

2.10.1 Translation reserve

The translation reserve represents translation differences arising since 1 January 2004, when the reserve was deemed to be zero and the balance transferred to "Retained earnings". In the event of disposal of a subsidiary, associate or joint venture that prepares its accounts in a foreign currency, the cumulative translation reserve as of the date of disposal is reversed out through profit or loss, such that the gain or loss on disposal is calculated without the effect of exchange rate fluctuations.

2.10.2 Information about the management of capital

The objective of Bouygues management in managing capital is to maintain consolidated shareholders' equity at a level consistent with:

- maintaining a reasonable ratio of net debt (see Note 2.15.2) to shareholders' equity; and
- distributing regular dividends to shareholders.

However, the level of equity may vary over short periods, especially if a strategically important investment opportunity arises.

The business plan is a key management tool used by the parent company to assess the financial position of each business segment and of the Group as a whole, and the effects on consolidated shareholders' equity.

Within these overall principles, Group management allows subsidiaries within each of its five segments and their parent company a degree of autonomy to manage their equity in line with their specific objectives and needs, given that equity capital requirements vary from business to business and segment to segment.

2.11 Non-current liabilities

2.11.1 Non-current debt

With the exception of derivative instruments accounted for as liabilities measured at fair value (including a counterparty risk component, which is immaterial), all other borrowings and financial liabilities are accounted for at amortised cost using the effective interest method.

Transaction costs directly attributable to the acquisition or issuance of a financial liability are offset against that liability, and amortised over the life of the liability using the effective interest method.

The portion of long-term debt due within less than one year is included in current liabilities.

2.11.2 Non-current lease obligations

In accordance with IFRS 16, on commencement of a lease the lessee recognises a lease obligation in the balance sheet, equivalent to the present value of the lease payments over the lease term.

The following amounts are included in the lease payments used to measure the obligation:

- fixed payments (including in-substance fixed payments, i.e. payments that may in form contain variability, but in substance are unavoidable);
- variable lease payments that depend on an index or a rate at the commencement date of the lease;
- payments due by the lessee under residual value guarantees;
- the exercise price of a purchase option, if that option is reasonably certain to be exercised; and
- payments of penalties for terminating or not extending the lease.

During the term of the lease, the carrying amount of the lease obligation is:

- increased to reflect interest on the lease obligation, which is recognised as an expense in the income statement and calculated using the discount rate used on initial measurement; and
- reduced to reflect lease payments made.

The discount rate used to calculate the lease obligation is determined for each asset on the basis of the incremental borrowing rate at the inception date of the lease. That rate is obtained by aggregating a market rate that reflects the location, currency and lease term, and a sector-specific spread that reflects the nature of the lease.

The Group has elected to apply the practical expedients permitted by IFRS 16 to exclude leases where the as-new value of the underlying asset is less than €5,000, and assets where the lease term is reasonably certain to be less than 12 months. Such leases are recognised in profit or loss as and when lease payments are made. The Group has also elected to account for each lease component separately, distinguishing the lease components from the non-lease (service) components.

As permitted by IFRS 16, the Group has not elected to apply the standard to leases of intangible assets.

The portion of long-term lease obligations due within less than one year is included in current liabilities.

2.11.3 Non-current provisions

In accordance with IAS 37, a provision is recorded at the end of the reporting period if the Group has an obligation to a third party resulting from a past event and it is probable that settlement of the obligation will result in a net outflow from the Group of resources embodying economic benefits.

The amount recognised as a provision represents the Group's best estimate of the net outflow of resources.

Non-current provisions are not usually associated with the normal operating cycle of each business segment.

Non-current provisions mainly comprise:

- Provisions established to cover the uninsured portion of risks under two-year and ten-year construction contract guarantees. These provisions are recognised in line with recognition of contract revenues, based on statistical data reflecting actual experience over the long term.
- Provisions related to tax exposures (except those relating to corporate income taxes, which are recognised in "Taxes payable") and to fines levied by the competition authorities.
- Provisions for litigation, claims and foreseeable risks relating to the Group's operations, especially foreign operations, including permanent withdrawal from projects and sundry risks and liabilities.
- Provisions for site rehabilitation and decommissioning costs (e.g. quarries). Costs incurred as a result of a contractual obligation to remedy immediate environmental damage are covered by a provision.
- Provisions for employee benefits, which comprise:
 - Provisions for long-service awards.
 - Provisions for obligations to employees in respect of lump-sum benefits payable on retirement.

These provisions are calculated using the projected unit credit method based on final salary. Benefits are attributed on a straight line basis only over the final years of the period of service during which an employee's capped rights to the benefits vest. Provisions are measured on the basis of the collective agreement for each business segment, taking account of:

- status, age and length of service for each employee category;
- employee turnover, calculated on the basis of the average number of voluntary leavers by business segment, age bracket and employee category;

- average salary and wages including bonuses and benefits in kind, uplifted by a coefficient to reflect the applicable percentage of employer's social security charges;
 - a final salary inflation rate;
 - a discount rate applied to the obligation over the projected period to the retirement date;
 - estimated mortality, based on mortality tables.
- Provisions for pension obligations (depending on the country and terms of the pension plan).

To cover their pension obligations, Group companies make regular payments to external bodies including public-sector and private-sector pension schemes and independent pension fund managers (defined-contribution plans). There are however some remaining defined-benefit plans still in existence, mainly at Colas and Bouygues Construction (Canada, Ireland, the United Kingdom and Switzerland). These pension plans are managed by independent pension funds, and involve only a limited number of employees.

The actuarial assumptions used to measure the present value of the pension obligation and the service cost for the period in respect of defined-benefit plans represent the best estimate of the variables that will determine the final cost of the benefits. The discount rate and the rate of return on plan assets are determined by reference to the expected market rate, taking into account the estimated timing of benefit payments; the discount rate applied to the obligation is determined by reference to the market rate for high-quality corporate bonds at the end of the reporting period.

The Bouygues group recognises the effect of changes in actuarial assumptions in consolidated shareholders' equity if they relate to the pension obligation, and in profit or loss if they relate to long-service awards.

2.12 Current liabilities

2.12.1 Current provisions

Current provisions, which relate to the normal operating cycle of each segment, mainly comprise:

- provisions for construction contract risks, including risks relating to construction project companies in the form of *Sociétés en Participation* (SEPs);
- provisions for losses to completion on construction contracts, which relate to construction contracts in progress and take account of claims accepted by the customer. They are measured on a contract by contract basis, with no netting between them.

2.12.2 Trade payables and other current liabilities

Because of the short-term nature of these liabilities, the carrying amounts shown in the consolidated financial statements are a reasonable estimate of market value.

2.12.3 Customer contract liabilities

Customer contract liabilities represent the Group's obligation to transfer goods and services for which payment has already been received from a customer, or where the Group has an unconditional right to receive payment. They include advances and down-payments received on orders, and differences arising from the percentage of completion on a contract (see Note 11.2).

2.13 Income statement

As allowed under IAS 1, the Bouygues group presents an income statement that classifies expenses by nature. In presenting its income statement, the Group has applied ANC Recommendations 2013-03 of 7 November 2013, and 2012-01 and 2012-02 of 21 December 2012.

2.13.1 Revenue recognition

The Group recognises revenue when:

- a customer contract, and the performance obligations within that contract, have been identified;
- a transaction price has been determined, and allocated between the performance obligations;
- the distinct performance obligations under the contract have been satisfied;
- it is probable that the future economic benefits of the transaction will flow to the Group;
- the amount of revenue can be reliably measured; and
- at the transaction date, it is probable that the amount of the sale will be recovered.

Most contracts entered into by the Group contain only a single performance obligation. However, some contracts at Bouygues Telecom (as described below) are split into two performance obligations.

Construction businesses

BOUYGUES CONSTRUCTION AND COLAS

Revenue from construction businesses corresponds to the latest estimate of the total selling price, and takes account of claims that have been accepted by the customer or are highly probable.

Such revenue is recognised at the end of each reporting period by the percentage of completion method, using a completion rate determined by reference to progress of the works (output method) or to the cost of completed works (input method).

As soon as a loss on a contract is known and can be reliably measured, it is covered by a provision for expected losses to completion within "Current provisions" in the balance sheet. The loss is provided for in full, irrespective of the completion rate.

BOUYGUES IMMOBILIER

Revenues and profits are recognised using the percentage of completion method once the following conditions have been met:

- building permit with no appeal;
- signature of notarised deed of sale or development contract with the customer; and
- construction contract signed (order given to start works).

The percentage of completion represents costs recognised to date (including land-related costs) as a proportion of the total estimated final cost of the project, taking account of the progress towards legal completion of the sale in the case of property sales.

Accrued expenses are recognised for finishing costs on this type of project, based on the percentage of completion; residual expenses on delivered projects are also recognised in "Trade payables".

Overheads, including sales force costs and all advertising costs, are expensed as incurred.

Telecoms

Bouygues Telecom generates revenue primarily from services with no handset sale; from sales of stand-alone handsets and accessories; and from sales of services with subsidised handsets.

SALES OF SERVICES WITH NO HANDSET SALE

Plans and commercial services (mobile and fixed) are invoiced one month in advance and the corresponding revenue is recognised on a straight-line basis over the service period.

Revenue from call charges other than plans, and from roaming and interconnection fees, is recognised as the service is used, based on a best estimate of the pattern of consumption.

Revenue generated by prepaid cards is recognised on sale of the card to the distributor or retailer but deferred until the card is activated, and then adjusted for unused minutes.

Services carried out on behalf of content providers in relation to SMS+ services and special numbers are not included in income and expenses for the period. Only the margin charged as consideration for the service is recognised in sales.

SALES OF STAND-ALONE HANDSETS AND ACCESSORIES

Sales of handsets and SIM cards are recognised on sale to the distributor or retailer, but the margin on the sale is eliminated until the line is activated by the customer. Since August 2013, retail and business customers have been able to pay for their handsets in instalments; the entire revenue from the sale of the handset is recognised when the customer signs up to the plan.

SALES OF SERVICES WITH SUBSIDISED HANDSETS

When the sale of a handset is accompanied by the customer subscribing to a plan, the handset sale is accounted for by recognising a trade receivable in the balance sheet for the amount of the subsidy, i.e. the difference between (i) the price paid by the customer on initial subscription and (ii) the transaction price. This asset is charged to profit or loss over the average life of the contract.

2.13.2 Other operating income and expenses

These line items contain a very limited number of income and expense items, which are unusual and occur infrequently but are of particularly large amounts. The Group reports these items separately in its income statement to give users of the financial statements a better understanding of ongoing operational performance.

For a description of these items, refer to Note 13.

2.13.3 Share-based payment

In accordance with IFRS 2, stock subscription options granted to corporate officers or employees of the Group are accounted for in the financial statements as follows: the fair value of the options granted (corresponding to the fair value of the services rendered by the employees as consideration for the options) is recognised as an employee benefit over the vesting period of the rights under "Personnel costs" in the income statement, with the matching entry credited to shareholders' equity.

The amount of the employee benefit is measured at the grant date of the option using the Black & Scholes model.

2.14 Cash flow statement

The cash flow statement is presented in accordance with the amended IAS 7 and with ANC Recommendation 2013-03 of 7 November 2013 (using the indirect method). The cash flow statement explains changes in the Group's net cash position, which is defined as the net total of the following balance sheet items:

- cash and cash equivalents; and
- overdrafts and short-term bank borrowings.

2.15 Other financial indicators

2.15.1 EBITDA after Leases

"EBITDA after Leases" equates to current operating profit after taking account of interest expense on lease obligations, before (i) net charges for depreciation, amortisation and impairment on property, plant and equipment and intangible assets, (ii) net charges to provisions and other impairment losses, and (iii) effects of acquisitions of control or losses of control. Those effects relate to the impact of remeasuring previously-held interests or retained interests.

"Other income from operations" and "Other expenses from operations", which are a component of current operating profit, mainly comprise:

- net foreign exchange differences on commercial transactions;
- gains and losses on disposals of non-current assets;
- profits and losses from joint operations, representing the Group's share of profits or losses from translucent entities such as *Sociétés en Participation* (SEPs), for example those that operate asphalt and binder production facilities;
- royalties from the licensing of patents; and
- revenue from sales of raw material (bitumen) by Colas subsidiaries to asphalt and emulsion entities in the form of SEPs or economic interest groupings that subsequently sell the asphalt and emulsion back to Colas subsidiaries (with the expense recognised in "Purchases used in production").

2.15.2 Net debt/Net surplus cash

Net debt (or net surplus cash) is obtained by aggregating the following items:

- cash and cash equivalents;
- overdrafts and short-term bank borrowings.
- non-current and current debt; and
- financial instruments (used to hedge financial liabilities measured at fair value).

Net debt/net surplus cash does not include non-current and current lease obligations.

A positive figure represents net surplus cash and a negative figure represents net debt.

2.15.3 Free cash flow

Free cash flow is defined as net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in working capital requirements related to operating activities.

2.15.4 Changes in working capital requirements related to operating activities

"Changes in working capital requirements related to operating activities" as presented in the cash flow statement is obtained by aggregating net changes in:

- inventories and work in progress;
- advances and down-payments made on orders;
- trade receivables;
- customer contract assets;
- trade payables;
- customer contract liabilities;
- current provisions; and
- other current asset and liability items, excluding (i) income taxes; (ii) net cash and cash equivalents and current debt; (iii) hedging instruments; (iv) current lease obligations; and (v) receivables and liabilities related to property, plant and equipment and intangible assets.

Note 3 Non-current assets

3.1 Acquisitions of non-current assets during the year, net of disposals

3.1.1 Capital expenditure and acquisitions of non-current financial assets, net of disposals

	2021	2020
Property, plant and equipment	1,992	1,686
Intangible assets	454	962
Capital expenditure	2,446	2,648
Acquisitions of non-current financial assets (investments in consolidated and non-consolidated companies and other long-term investments)	394 ^a	941 ^c
Acquisitions of non-current assets	2,840	3,589
Disposals of non-current assets	(1,526) ^b	(1,076) ^d
Acquisitions of non-current assets, net of disposals	1,314	2,513

(a) Includes €266m of investments made by Colas (mainly the acquisition of Destia Oy for €253m), and contingent purchase consideration of €52m related to BTBD (formerly EIT) at Bouygues Telecom.

(b) Disposals during 2021 mainly comprise partial divestments of equity interests in Alstom in March (3.23%) and June (2.96%) for a total for €984m net of costs, and the divestment by Bouygues Telecom of the buildings and passive infrastructure of 13 Mobile Switching Centres (MSCs) for €199m (see Note 1.2.1).

(c) Includes €842m of investments made by Bouygues Telecom, mainly as a result of the acquisition of BTBD (formerly EIT) for €824m and the creation of Nexloop France (€15m) and Phoenix France Infrastructures (€3m).

(d) Disposals during 2020 mainly comprise the partial divestment (4.8%) of the equity interest in Alstom for €450m net of costs, and the divestment of sites and fibre optic infrastructure by Bouygues Telecom for €248m (includes €185m for FTTH premises transferred to SDAIF).

3.1.2 Capital expenditure under the (EU) 2020/852 taxonomy

In Section 3 ("Statement on Non-Financial Performance" – SNFP) of the Universal Registration Document, the Bouygues group discloses which elements of its operations are eligible and ineligible under the (EU) 2020/852 taxonomy as regards sales, capital expenditure (CapEx) and operating expense (OpEx).

CapEx covers increases in (i) property, plant and equipment, (ii) intangible assets, and (iii) rights of use of leased assets, along with increases in those items arising from business combinations. An analysis of CapEx is shown in the table below:

	2021
Capital expenditure (Note 3.1.1)	2,446
Right of use assets relating to new leases contracted (Note 3.2.2)	417
Increases arising from business combinations (Notes 3.2.1, 3.2.2 and 3.2.3) ^a	269
Capital expenditure under the (EU) 2020/852 taxonomy	3,132

(a) Includes €205m for Colas (mainly the acquisition of Destia Oy, €167m), and €61m for TF1 (acquisition of iZen).

3.2 Analysis of movements in non-current assets during the period

3.2.1 Property, plant and equipment

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	PP&E under construction and advance payments	Total
Gross value					
31/12/2019	2,728	13,468	3,342	536	20,074
Movements during 2020					
Translation adjustments	(61)	(161)	(35)	(6)	(263)
Changes in scope of consolidation	4	46	39	1	90
Acquisitions during the period	54	1,046	251	335	1,686
Disposals, transfers and other movements	(53)	(484)	(231)	(266)	(1,034)
31/12/2020	2,672	13,915	3,366	600	20,553
Movements during 2021					
Translation adjustments	65	159	36	8	268
Changes in scope of consolidation ^a	(6)	87	35	3	119
Acquisitions during the period	40	1,247	312	393	1,992
Disposals, transfers and other movements	(125)	(318)	(325)	(336)	(1,104)
31/12/2021	2,646	15,090	3,424	668	21,828
Depreciation and impairment					
31/12/2019	(1,112)	(9,013)	(2,447)		(12,572)
Movements during 2020					
Translation adjustments	22	120	30		172
Changes in scope of consolidation	(1)	(7)	(16)		(24)
Net expense for the period	(89)	(998)	(281)		(1,368)
Disposals, transfers and other movements	46	472	207		725
31/12/2020	(1,134)	(9,426)	(2,507)		(13,067)
Movements during 2021					
Translation adjustments	(23)	(123)	(31)		(177)
Changes in scope of consolidation	16	(62)	(17)		(63)
Net expense for the period	(86)	(1,054)	(283)		(1,423)
Disposals, transfers and other movements	84	535	331		950
31/12/2021	(1,143)	(10,130)	(2,507)		(13,780)
Carrying amount					
31/12/2020	1,538	4,489	859	600	7,486
31/12/2021	1,503	4,960	917	668	8,048

(a) Includes €165m arising from business combinations.

Operating commitments not yet recognised involving future outflows of resources

	Falling due			Total 2021	Total 2020
	Less than 1 year	From 1 to 5 years	More than 5 years		
Colas: orders in progress for plant and equipment ^a	60	64		124	80
Bouygues Telecom: orders in progress for network equipment assets	54	162		216	294
TOTAL	114	226		340	374

(a) In 2020, Colas subsidiary Continental Bitumen Ltd. placed an order for the construction of two asphalt carrier cargo ships. The investment commitment carried by its subsidiaries as of 31 December 2021 was approximately USD64m (€56m), excluding ancillary costs. In the second quarter of 2021, Colas subsidiary McAsphalt Marine Transportation Ltd placed an order for the construction of an asphalt carrier cargo ship. That represented an investment commitment of approximately USD36m (€32m) as of 31 December 2021.

3.2.2 Right of use of leased assets

	Land and buildings	Plant, equipment and tooling	Other property, plant and equipment	Total
Gross value				
31/12/2019 restated	1,371	1,494	275	3,140
Movements during 2020				
Translation adjustments	(10)	(3)	(11)	(24)
Changes in scope of consolidation	(3)	3	(12)	(12)
New leases, lease modifications, and other lease-related movements	55	78	34	167
31/12/2020	1,413	1,572	286	3,271
Movements during 2021				
Translation adjustments	16	8	14	38
Changes in scope of consolidation ^a	18	46	(30)	34
New leases, lease modifications, and other lease-related movements ^b	26	188	24	238
31/12/2021	1,473	1,814	294	3,581
Amortisation and impairment				
31/12/2019 restated	(657)	(635)	(88)	(1,380)
Movements during 2020				
Translation adjustments	4	1	4	9
Changes in scope of consolidation	2		(1)	1
Net expense for the period	(163)	(152)	(44)	(359)
Lease modifications and other lease-related movements	83	30	13	126
31/12/2020	(731)	(756)	(116)	(1,603)
Movements during 2021				
Translation adjustments	(8)	(3)	(7)	(18)
Changes in scope of consolidation		(23)	18	(5)
Net expense for the period	(167)	(149)	(37)	(353)
Lease modifications and other lease-related movements	88	31	20	139
31/12/2021	(818)	(900)	(122)	(1,840)
Carrying amount				
31/12/2020	682	816	170	1,668
31/12/2021	655	914	172	1,741

(a) Includes €28m arising from business combinations.

(b) Includes €417m of right of use assets relating to new leases.

3.2.3 Intangible assets

	Development expenses ^b	Concessions, patents and similar rights	Other intangible assets	Total
Gross value				
31/12/2019	433	3,338	3,550	7,321
Movements during 2020				
Translation adjustments		(4)	(12)	(16)
Changes in scope of consolidation		4	11	15
Acquisitions during the period	68	641	253	962
Disposals, transfers and other movements		4	3	7
31/12/2020	501	3,983	3,805	8,289
Movements during 2021				
Translation adjustments		6	14	20
Changes in scope of consolidation ^a		25	48	73
Acquisitions during the period	89	58	307	454
Disposals, transfers and other movements	(1)	(21)	221	199
31/12/2021	589	4,051	4,395	9,035
Amortisation and impairment				
31/12/2019	(242)	(1,784)	(3,118)	(5,144)
Movements during 2020				
Translation adjustments		4	3	7
Changes in scope of consolidation		(4)		(4)
Net expense for the period	(38)	(195)	(248)	(481)
Disposals, transfers and other movements		7	20	27
31/12/2020	(280)	(1,972)	(3,343)	(5,595)
Movements during 2021				
Translation adjustments		(4)	(6)	(10)
Changes in scope of consolidation		(24)	(46)	(70)
Net expense for the period	(50)	(213)	(380)	(643)
Disposals, transfers and other movements	(1)	38	20	57
31/12/2021	(331)	(2,175)	(3,755)	(6,261)
Carrying amount				
31/12/2020	221	2,011	462	2,694
31/12/2021	258	1,876 ^c	640 ^d	2,774

(a) Includes €76m arising from business combinations.

(b) Software development expenses are generally capitalised (applies mainly to Bouygues Telecom), while development expenses of a permanent and recurring nature that do not meet the IAS 38 capitalisation criteria are expensed (applies mainly to Colas). In accordance with IFRS, research costs are expensed as incurred. Research and development costs expensed were €41m in 2021 and €62m in 2020.

(c) Includes for Bouygues Telecom: €34m for the UMTS licence, €566m for the 2.6 GHz and 800 MHz frequency user licence, €409m for the 700 MHz user licence, and €566m for the 3.5 GHz user licence (see Note 1.2.2).

(d) Includes €221m for audiovisual rights at TF1. Movements during the year relate mainly to the recognition of €187m for the customer base of BTBD (formerly EIT) as part of the final purchase price allocation (see Note 1.2.2); as of 31 December 2021, amortisation of €23m had been charged against the customer base asset.

Operating commitments not yet recognised involving future outflows of resources

The table below shows the maturities of audiovisual rights acquisition contracts entered into by TF1 for the purpose of securing future programming schedules.

	Falling due			Total 2021	Total 2020
	Less than 1 year	From 1 to 5 years	More than 5 years		
Audiovisual rights	19	6		25	32
TOTAL	19	6		25	32

3.2.4 Goodwill

	Gross value	Impairment	Carrying amount
31/12/2019	6,593	(52)	6,541
Movements during 2020			
Changes in scope of consolidation	779		779
Impairment losses		(60)	(60)
Other movements (including translation adjustments)	(28)		(28)
31/12/2020	7,344	(112)	7,232
Movements during 2021			
Changes in scope of consolidation	240		240
Impairment losses			
Other movements (including translation adjustments)	(26)		(26)
31/12/2021	7,558	(112)	7,446

For 2021, the “Changes in scope of consolidation” line mainly comprises goodwill arising on the acquisition of (i) a 100% equity interest in Destia Oy by Colas for €213 million and (ii) a 65% equity interest in iZen by TF1 for €15 million. Other movements in 2021 include (i) €60 million of translation adjustments, and (ii) an increase in goodwill due to the remeasurement of the €52 million contingent purchase consideration for Bouygues Telecom Business Distribution (BTBD, formerly EIT), which was more than offset by the recognition of the customer base as an intangible asset in the final purchase price allocation, which decreased goodwill by €138 million net of deferred taxes.

The impairment losses recognised in 2020 were mainly due to €75 million of asset write-downs at the Unify division of TF1, including €58 million for goodwill and €17 million for brands.

The table below shows how provisional or final goodwill as of 31 December 2021 was determined for significant acquisitions made since 1 January 2020 (including adjustments made during the twelve-month purchase price allocation period).

	Destia Oy	iZen	BTBD
			(formerly EIT)
CGU	Colas	TF1	Bouygues Telecom
Purchase price (I)	253	22	876
Net assets acquired, excluding goodwill (II)	(40)	(7)	(53)
Non-current assets	(71)	(5)	(59)
Current assets	(137)	(16)	(109)
Non-current liabilities	28	2	5
Current liabilities	140	12	110
Purchase price allocation (III)		(4)	(153)
Remeasurement of acquired intangible assets		(5)	(187)
Remeasurement of acquired property, plant and equipment			
Other remeasurements (including deferred taxes)		1	34
Unacquired portion		4	
Goodwill (I)+(II)+(III)	213	15	670 ^a
Translation adjustments			
Goodwill at 31/12/2021	213	15	670

(a) Provisional goodwill that became final during 2021.

For goodwill on joint ventures and associates, see Note 3.2.6 to the consolidated financial statements.

3.2.4.1 Consolidated carrying amount of listed shares as of 31 December 2021

€	Consolidated carrying amount per share	Closing market price per share on 31/12/2021
Colas	109.27	126.50
TF1	14.56	8.73

3.2.4.2 Split of goodwill by Cash Generating Unit (CGU)

CGU	31/12/2021		31/12/2020	
	Total	Bouygues or subsidiaries (%)	Total	Bouygues or subsidiaries (%)
Bouygues Construction ^a	1,129	100.00	1,079	99.97
Colas ^b	1,552	96.85	1,319	96.87
TF1 ^b	1,369	43.68	1,355	43.70
Bouygues Telecom ^b	3,396	90.53	3,479	90.53
TOTAL	7,446		7,232	

(a) Only includes goodwill on subsidiaries acquired by the CGU.

(b) Includes goodwill on subsidiaries acquired by the CGU and on acquisitions made at parent company (Bouygues SA) level for the CGU.

INFORMATION ABOUT IMPAIRMENT TESTING OF GOODWILL AS OF 31 DECEMBER 2021

- The recoverable amounts of Bouygues Construction, Bouygues Telecom, TF1 and Colas were determined using the method described in Note 2.7.5.1, based on cash flow projections corresponding to the business plans of each of the four segments as presented to the Boards of Directors at entity and Bouygues SA level, and for Bouygues Telecom based on cash flow projections extended out by a further two years to reflect the new "Ambition 2026" strategic plan as outlined below.
 - Cash flows beyond the projection period were extrapolated using a perpetual growth rate.
 - The discount rates (weighted average cost of capital) and growth rates used as of 31 December 2021 were as follows:

%	Discount rate		Perpetual growth rate
	Scenario 1 ^a	Scenario 2 ^a	
Bouygues Construction	6.2	5.9	2
Colas	7.0	6.5	2
TF1	7.3	6.8	1
Bouygues Telecom	4.3	4.2	2

(a) Depending on the capital structure: ½ debt - ½ equity (scenario 1); ¾ debt - ¼ equity (scenario 2).

As of 31 December 2021, the recoverable amount substantially exceeded the carrying amount of the assets for Bouygues Construction and Colas; consequently, sensitivity analyses are presented for TF1 and Bouygues Telecom only.

- The business plans used for TF1 were prepared on the basis of revenue growth rates and operating margins consistent with actual performances over the previous five years. Those business plans take account of factors including:
 - the impacts of the economic situation and competitive environment, and of trends in how content is consumed and in advertising media;
 - the acceleration of the transformation of TF1, and the organic growth of its activities;
 - the ongoing implementation of a resolutely multi-channel, multi-media and multi-line strategy that allies mass audience power with targeting across all platforms, plus the expansion of production activities and the development of new monetisation techniques, involving:
 - securing the stream of core business TV content (including news) and advertising,
 - leveraging a high-powered online offer;
 - opening up new distribution channels (platformisation, OTT) via the MYTF1 site and involvement in the Salto project; and
 - ongoing build-up of Newen to reinforce the production and distribution side, in France and internationally;
- Normative cash flows for Bouygues Telecom were determined on the basis of the three-year business plan and the "Ambition 2026" strategic plan. That plan translates Bouygues Telecom's three-pronged operational and commercial ambition in mobile, fixed BtoC and fixed BtoB. Bouygues Telecom aims to secure a customer reputation as France's no.2 mobile operator, add a further three million FTTH customers, double its market share in BtoB fixed line, and become a player in wholesale fixed line. The following financial assumptions were used to calculate future cash flows:
 - For 2022, Bouygues Telecom is predicting:
 - growth of approximately 5% in sales from services;
 - growth of approximately 7% in EBITDA after Leases, against a backdrop of increased expenditure due to the ramp-up of fixed line expansion and improvements to the mobile network capacity;
 - approximately €1.5 billion of capital expenditure in anticipation of growth in the fixed and mobile customer base, and in usage.
 - The objectives of the strategic plan are to achieve by 2026:
 - sales from services of over €7 billion;
 - EBITDA after Leases of approximately €2.5 billion, with an EBITDA after Leases margin in the region of 35%;
 - free cash flow before changes in working capital requirements related to operating activities of approximately €600 million.

Bouygues Telecom is also planning for annual capital expenditure of around €1.5 billion to 2025, and around €1.4 billion in 2026.

The cash flows used for impairment testing take account of any financial impacts of the commitments made by the Group in its roadmap to address climate change.

SENSITIVITY ANALYSIS OF ASSUMPTIONS USED

For the TF1 and Bouygues Telecom CGUs, sensitivity analyses were performed to determine the sensitivity of the calculation to key parameters (discount rates, growth rates, normative cash flows), either individually or using combined scenarios for discount rates and normative cash flows (including reasonably possible changes in normative cash flows).

For those CGUs, the recoverable amount would equal the carrying amount of the assets tested if scenarios 1 & 2 shown below (taken individually) were to be applied:

%	Discount rate	Change in normative cash flows		Perpetual growth rate	
	Scenario 1/Scenario 2 ^a	Scenario 1 ^a	Scenario 2 ^a	Scenario 1 ^a	Scenario 2 ^a
TF1	8.4	(17.4)	(24.4)	(0.2)	(0.8)
Bouygues Telecom	5.8	(42.1)	(47.0)	0.3	0.1

(a) Depending on the capital structure: ½ debt - ½ equity (scenario 1); ⅓ debt - ⅔ equity (scenario 2).

For TF1, in the event of a 20% reduction in normative cash flows combined with an increase of 100 basis points in the discount rate, the recoverable amount would be lower than the carrying amount by €206 million under scenario 1, and by €133 million under scenario 2. If the perpetual growth rate applied to the normative cash flows were to be halved and all other assumptions described above were unchanged, the recoverable amount would exceed the carrying amount by €127 million under scenario 1 and by €234 million under scenario 2.

For Bouygues Telecom, in the event of a 20% reduction in normative cash flows combined with an increase of 100 basis points in the discount rate, the recoverable amount would be €652 million lower than the carrying amount

under scenario 1, and €128 million lower than the carrying amount under scenario 2. If the perpetual growth rate applied to the normative cash flows were to be halved and all other assumptions described above were unchanged, the recoverable amount would exceed the carrying amount by €1,789 million under scenario 1 and by €2,472 million under scenario 2.

Conclusion on impairment testing

For both the CGUs tested, the recoverable amounts determined under both capital structure scenarios remain greater than the carrying amount of the assets. Consequently, we have not performed a more in-depth estimate of the recoverable amounts of the CGUs.

3.2.5 Other non-current assets

As of 31 December 2021, these comprised:

- investments in joint ventures and associates accounted for by the equity method: €878 million;

- other non-current financial assets (loans, receivables, investments in non-consolidated companies, etc.): €496 million; and
- deferred tax assets: €292 million.

	Other non-current financial assets				Deferred tax assets
	Investments in joint ventures and associates	Investments in non-consolidated companies	Other non-current financial assets ^a	Total	
31/12/2019 restated	1,557	89	398	487	331
Movements during 2020					
Translation adjustments	(20)		(14)	(14)	(2)
Acquisitions		4	7	11	
Share of profits/(losses) for period, net change in provisions and impairment allowances, and changes in fair value through profit or loss	216		8	8	
Other income and expense recognised directly in equity	(35)	(12)		(12)	
Dividend distributions, capital increases, inter-account transfers, changes in scope of consolidation and other movements	(175)	(5)	54	49	5
31/12/2020 restated	1,543	76	453	529	334

(a) Net of impairment allowances of €29m against non-current financial assets (see Note 4.6).

	Other non-current financial assets				Deferred tax assets ^c
	Investments in joint ventures and associates ^a	Investments in non-consolidated companies	Other non-current financial assets ^b	Total	
31/12/2020 restated	1,543	76	453	529	334
Movements during 2021					
Translation adjustments	16	1	13	14	4
Acquisitions		9	3	12	
Share of profits/(losses) for period, net change in provisions and impairment allowances, and changes in fair value through profit or loss	222		16	16	
Other income and expense recognised directly in equity	22	(9)	2	(7)	
Dividend distributions, capital increases, inter-account transfers, changes in scope of consolidation and other movements	(925) ^d	(3)	(91)	(94)	(46)
31/12/2021	878 ^e	100	396	496	292

(a) Includes goodwill on associates: €136m as of 31 December 2021.

(b) Net of impairment allowances of €15m against other non-current financial assets (see Note 4.6).

(c) See Note 7.

(d) Includes €930m for the reduction in the value of the investment in Alstom, mainly reflecting the corporate actions of the first half of 2021 that resulted in the loss of significant influence (see Note 3.2.6.2).

(e) Includes €280m for SDAIF (see Note 3.2.6.2).

3.2.6 Investments in joint ventures and associates

	Share of net assets held	Goodwill on joint ventures & associates	Carrying amount
31/12/2019 restated	947	610	1,557
Movements during 2020			
Share of profit/(loss) for period	228 ^a	(12)	216
Translation adjustments	(17)	(3)	(20)
Other income and expense recognised directly in equity	(35)		(35)
Net profit/(loss) and recognised income/(expense) for the period	176	(15)	161
Dividend distributions, capital increases, inter-account transfers, changes in scope of consolidation and other movements	33	(208)	(175)
31/12/2020 restated	1,156	387	1,543
Movements during 2021			
Share of profit/(loss) for period	224 ^a	(2)	222
Translation adjustments	16		16
Other income and expense recognised directly in equity	22		22
Net profit/(loss) and recognised income/(expense) for the period	262	(2)	260
Dividend distributions, capital increases, inter-account transfers, changes in scope of consolidation and other movements	(676)	(249)	(925)
31/12/2021	742	136	878 ^b

(a) Excluding impairment losses on goodwill.

(b) Includes €280m for SDAIF (see Note 3.2.6.2).

A list of the principal joint ventures and associates in which the Bouygues group holds an interest is provided in Note 24.

The carrying amount of investments in joint ventures and associates decreased by €665 million in the period. That change mainly relates to Alstom, which saw a net decrease of €711 million, comprising (i) a profit contribution of €219 million and (ii) €930m for the reduction in the value of the investment

in Alstom, mainly reflecting the corporate actions of the first half of 2021 that led to the loss of significant influence (see Note 1.2.1).

As of 31 December 2021, the total carrying amount of €878 million included €375 million for joint ventures (Note 3.2.6.1) and €503 million for investments in associates (Note 3.2.6.2).

3.2.6.1 Joint ventures

	31/12/2020 restated	Net movement in 2021	31/12/2021	of which: share of profit/loss and impairment losses
Miscellaneous joint ventures	273	18	291	3
Axione	72	12	84	17
TOTAL	345	30	375	20

“Miscellaneous joint ventures” are mainly industrial entities (quarries, emulsion plants) operated jointly by Colas and partners from outside the Bouygues group.

3.2.6.2 Investments in associates

	31/12/2020	Net movement in 2021	31/12/2021	of which: share of profit/loss and impairment losses
Alstom	711	(711)		219
Bouygues Construction				
Concession companies	5	2	7	2
Miscellaneous associates	4		4	
Colas				
Tipco Asphalt (Thailand)	130	2	132	20
Mak Mecsek zrt (Hungary)	36	(1)	35	3
Miscellaneous associates	19	(2)	17	1
TF1				
Salto				(29)
Miscellaneous associates		5	5	
Bouygues Telecom				
SDAIF	286	(6)	280	(15)
Miscellaneous associates	(2)	16	14	1
Bouygues Immobilier				
Miscellaneous associates	9		9	
TOTAL	1,198	(695)	503	202

Alstom

Alstom’s contribution to the net profit of the Bouygues group amounted to €219 million in 2021, compared with €51 million in 2020, and comprised:

- a gain on dilution of €56 million following the two rights issues carried out by Alstom in the first quarter of 2021 (see Note 1.2.1);
- a gain of €152 million (net of transaction costs and taxes) on successive sales by Bouygues of 12 million shares (3.23% of Alstom’s share capital) and 11 million shares (2.96% of Alstom’s share capital) in the first half of 2021 (see Note 1.2.1);
- a fair value remeasurement as of 2 June 2021 of the residual 0.16% equity interest in Alstom amounting to €6 million (see Note 1.2.1); and
- €5 million for Bouygues’ share of Alstom’s results for the second half of its 2020/2021 financial year, calculated on the basis of the annual results

published by Alstom on 11 May 2021 for its 2020/2021 financial year. Given the time-lag between the financial year-ends of Alstom (31 March) and Bouygues (31 December), Bouygues’ share of Alstom’s published profits for the first half of Alstom’s 2020/21 financial year (ended 30 September 2021) was recognised in the Bouygues financial statements for the year ended 31 December 2020.

With effect from 2 June 2021, the residual equity interest in Alstom has been accounted for at fair value through other comprehensive income. The carrying amount of that retained equity interest as of 31 December 2021 was €18 million, which is recorded in “Other non-current financial assets” (see Note 3.2.7).

SDAIF

The investment in SDAIF had a carrying amount of €280 million in the Bouygues consolidated balance sheet as of 31 December 2021, including €15 million for the share of SDAIF's net loss for 2021.

Summary information about the principal assets, liabilities, income and expenses of SDAIF is provided below:

Amounts shown are for 100% of investee	SDAIF	
	31/12/2021	31/12/2020
Non-current assets	1,470	1,324
Current assets	131	301
TOTAL ASSETS	1,601	1,625
Shareholders' equity	572	583
Non-current liabilities	961 ^a	896 ^b
Current liabilities	68	146
TOTAL LIABILITIES	1,601	1,625
SALES	128	16
NET PROFIT	(30)	(28)

(a) Includes €911m of non-current debt.

(b) Includes €835m of non-current debt.

Reconciliation of shareholders' equity to the carrying amount of the interest held by the Bouygues group:

	31/12/2021	31/12/2020
SDAIF: SHAREHOLDERS' EQUITY	572	583
Share attributable to Bouygues (49%)	280	286
NET ASSETS RECOGNISED IN THE BOUYGUES CONSOLIDATED FINANCIAL STATEMENTS	280	286

3.2.7 Investments in non-consolidated companies and other non-current financial assets

The table below shows the principal investments in non-consolidated companies as of 31 December:

Investment	31/12/2021		31/12/2020	
	Fair value	% interest	Fair value	% interest
French companies				
Alstom	18	0.16		
Bouygues Construction				
Bouygues Construction Airport Concessions Europe SAS	4	51	3	51
Com'in SAS	2	50		
Colas				
Com'in SAS	2	50		
Asphalt, binder and quarry companies ^a	15		14	
SUB-TOTAL	41		17	
Foreign companies				
Bouygues Construction				
Cross Yarra Partnership (Australia)	16	10	16	10
Ravinala Airport SA (Madagascar)	2	10	2	10
SUB-TOTAL	18		18	
Other investments ^a	41		41	
TOTAL	100		76	

(a) The information provided for "Asphalt, binder and quarry companies" and "Other investments" relates to a large number of companies, for which individual information is not disclosed on grounds of immateriality.

The net change in investments in non-consolidated companies during 2021 was an increase of €24 million. The main movements relate to the €26 million impact of reclassifying the residual equity interest in Alstom to "Other non-current financial assets" following the loss of significant influence on 2 June 2021 (see Note 1.2.1), and a negative fair value remeasurement of €8 million of that residual equity interest between 2 June and 31 December 2021.

The table below shows information about other non-current financial assets as of 31 December:

	31/12/2021	31/12/2020
Advances to non-consolidated companies	104	88
Loans receivable	157	232
• Deposits and caution money paid (net)	100	99
• Mutual funds	31	30
• Other investments with carrying amounts of less than €2 million individually	4	4
Other long-term investments	135	133
Other non-current financial assets	396	453

Analysis of investments in non-consolidated companies and other non-current financial assets (excluding joint ventures and associates) by category

	Financial assets at fair value through OCI ^{a b}	Financial assets at fair value through profit or loss ^c	Financial assets at amortised cost ^d	Total
31/12/2020	39	71	419	529
Movements during 2021	21 ^e	4	(58)	(33)
31/12/2021	60	75	361	496
Due within less than 1 year			33	33
Due within 1 to 5 years			62	62
Due after more than 5 years	60	75	266	401

(a) Mainly relates to investments in non-consolidated companies (€29m at 31 December 2021) and other long-term investments (€31m at 31 December 2021), which are measured at fair value (level 3 in the fair value hierarchy).

(b) Movements recognised in “Other Comprehensive Income” in the consolidated statement of recognised income and expense.

(c) Mainly relates to investments in non-consolidated companies (€71m at 31 December 2021), which are measured at fair value (level 3 in the fair value hierarchy).

(d) Includes financial receivables relating to Public-Private Partnership (PPP) activities.

(e) Mainly relates to the reclassification of the residual equity interest in Alstom, recognised at a carrying amount of €26m as of 2 June 2021 (see Note 1.2.1), and to the €8m negative fair value adjustment made to that equity interest between 2 June and 31 December 2021.

Fair value of financial assets and financial liabilities

Under IFRS 13, the fair value hierarchy that reflects the significance of the inputs used in making fair value measurements has three levels:

- level 1 (unadjusted quoted prices): prices accessible to the entity on the date of measurement in active markets, for identical assets or liabilities;
- level 2 (observable inputs): inputs relating to the asset or liability, other than quoted market prices classified as level 1 inputs, that are observable either

directly (such as a price) or indirectly (i.e. derived from observable prices); and

- level 3 (unobservable inputs): inputs that are not observable on markets, including observable inputs that require significant adjustment (for example, extrapolation of yield curves over long, unobservable periods). Within the Bouygues group, this applies mainly to certain investments in non-consolidated companies.

	LEVEL 1 Quoted prices	LEVEL 2 Observable inputs	LEVEL 3 Unobservable inputs	31/12/2021
Financial assets at fair value through OCI ^a			60	60
Financial assets at fair value through profit or loss			75	75
Net cash position	6,150			6,150
Financial instruments (net) and other current financial assets and liabilities	46			46

(a) Movements recognised in “Other Comprehensive Income” in the consolidated statement of recognised income and expense.

Note 4 Current assets

4.1 Inventories

	31/12/2021			31/12/2020		
	Gross value	Impairment ^a	Carrying amount	Gross value	Impairment ^a	Carrying amount
Property development inventories	1,385	(152)	1,233 ^b	1,488	(151)	1,337
Raw materials and finished goods	1,239	(94)	1,145	1,130	(98)	1,032
Programmes and broadcasting rights	543	(111)	432	612	(142)	470
TOTAL	3,167	(357)	2,810	3,230	(391)	2,839

(a) Includes:

- impairment losses charged in the period (88) (155)
- impairment losses reversed in the period 124 105

(b) Includes Bouygues Immobilier: properties under construction €1,037m; completed properties €127m.

Operating commitments not yet recognised involving future outflows of resources

TF1	Falling due			31/12/2021	31/12/2020
	Less than 1 year	From 1 to 5 years	More than 5 years		
Programmes and broadcasting rights	430	345	6	781	941
Sports transmission rights	102	52		154	141
RIGHTS ORDERED BUT NOT YET AVAILABLE FOR TRANSMISSION ^a	532	397	6	935	
Total 31/12/2020	525	551	6		1,082

(a) Includes contracts expressed in foreign currencies: €33m in US dollars as of 31 December 2021, €25m in US dollars as of 31 December 2020.

Bouygues Immobilier	Falling due			31/12/2021	31/12/2020
	Less than 1 year	From 1 to 5 years	More than 5 years		
ACQUISITIONS OF LAND BANKS ^b	305			305	
Total 31/12/2020	331	5			336

(b) Binding commitments signed by Bouygues Immobilier, which is committed to buy the land if the suspensive conditions (usually obtaining a building permit) are met.

Bouygues Telecom	Falling due			31/12/2021	31/12/2020
	Less than 1 year	From 1 to 5 years	More than 5 years		
AGREEMENTS TO SECURE HANDSET SUPPLIES ^c	452			452	
Total 31/12/2020	274				274

(c) Handset supplies are generally secured under triennial contracts with the handset vendor that specify a minimum order quantity. The vendor commits to supplying the handsets, and Bouygues Telecom commits to buying the specified quantity.

4.2 Advances and down-payments made on orders

	31/12/2021			31/12/2020		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Advances and down-payments made on orders	348	(1)	347	399	(1)	398

4.3 Trade receivables, tax assets and other current receivables

	31/12/2021			31/12/2020		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Trade receivables (including unbilled receivables)	7,283	(642)	6,641	6,556	(666)	5,890
Customer contract assets	2,909		2,909	2,448		2,448
Current tax assets (receivable)	173	(4)	169	217	(4)	213
Other current receivables and prepaid expenses:						
• Employees, social security, government and other receivables	1,743	(12)	1,731	1,554	(8)	1,546
• Sundry receivables	1,233	(67)	1,166	1,235	(190)	1,045
• Prepaid expenses	588		588	455		455
TOTAL OTHER CURRENT RECEIVABLES & PREPAID EXPENSES	3,564	(79)	3,485	3,244	(198)	3,046
TOTAL	13,929	(725)	13,204	12,465	(868)	11,597

Split of carrying amount of trade receivables between non past due and past due balances

	Non past due	Past due by:			31/12/2021	31/12/2020
		0-6 months	6-12 months	More than 12 months		
Trade receivables	4,695	1,348	282	958	7,283	6,556
Impairment of trade receivables	(25)	(52)	(61)	(504)	(642)	(666)
TOTAL TRADE RECEIVABLES	4,670	1,296	221	454^a	6,641	
Total 31/12/2020	4,034	1,044	346	466		5,890

(a) Includes: Bouygues Construction €120m, Colas €148m and Bouygues Telecom €171m.

Receivables more than 12 months past due and not covered by impairment allowances mainly comprise recoverable VAT and amounts netted off against trade payables. An analysis of those receivables did not reveal any further credit risk.

4.4 Customer contract assets

	31/12/2020	Movements during 2021			31/12/2021	Falling due	
		Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities		Less than 1 year	More than 1 year
Customer contract origination costs	279			33	312	196	116
Customer contract execution costs	544			198	742	96	646
Differences relating to percentage of completion on contracts ^a	1,625	40	22	168	1,855	1,855	
TOTAL CUSTOMER CONTRACT ASSETS	2,448	40	22	399	2,909	2,147	762

(a) Comprises unbilled receivables on construction contracts at Bouygues Construction, Bouygues Immobilier and Colas.

4.5 Cash and cash equivalents

	31/12/2021			31/12/2020		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Cash	6,056		6,056	4,003		4,003
Cash equivalents	445		445 ^a	221		221
TOTAL	6,501		6,501	4,224		4,224

(a) €437m of these cash equivalents are held by Bouygues SA.

Surplus cash is invested with high-quality French and foreign banks. Cash equivalents are measured at fair value and are readily convertible into cash.

All investments of cash and equivalents were accessible as of 31 December 2021.

The net cash position shown in the cash flow statement breaks down by currency as follows:

	Euro	Pound sterling	Swiss franc	Other European currencies	Australian dollar	US dollar	Canadian dollar	Other currencies	Total 31/12/2021	Total 31/12/2020
Cash	4,953	184	31	75	211	184	101	317	6,056	4,003
Cash equivalents	437		1					7	445	221
Overdrafts and short-term bank borrowings	(236)	(3)	(1)		(41)	(2)	(2)	(66)	(351)	(187)
Total 31/12/2021	5,154	181	31	75	170	182	99	258^a	6,150	
Total 31/12/2020	2,920	194	80	66	236	144	108	289		4,037

(a) "Other currencies" relate mainly to the Asia-Pacific region (€118m), Africa (€74m), South America (€9m) and the Middle East (€7m).

4.6 Analysis of depreciation, amortisation, impairment and provisions in the balance sheet and income statement

	31/12/2020	Translation adjustments	Change in scope of consolidation ^a	Charges and reversals through current operating profit			Other impairment losses & other provisions ^c	Other movements	31/12/2021
				Depreciation, amortisation and impairment losses ^b	Other impairment losses & provisions, net	Reversals (un-utilised)			
Property, plant and equipment and intangible assets	(18,662)	(187)	(133)	(2,065) ^d			1	1,005 ^e	(20,041)
Right of use of leased assets	(1,603)	(18)	(5)	(353)				139 ^f	(1,840)
Goodwill	(112)								(112)
Goodwill on joint ventures & associates	(48)	1						(2)	(49)
Other non-current financial assets	(29)	(1)					23	(8)	(15)
SUB-TOTAL: NON-CURRENT ASSETS	(20,454)	(205)	(138)	(2,418)	^d	^d	24^d	1,134	(22,057)
Inventories	(391)	(3)	1		7	29			(357)
Trade receivables	(666)	(8)	(2)		(1)	36		(1)	(642)
Cash equivalents									
Other current receivables & prepaid expenses	(198)		1		(12)		6	123	(80)
SUB-TOTAL CURRENT ASSETS	(1,255)	(11)			(6)	65	6	122	(1,079)
TOTAL ASSETS	(21,709)	(216)	(138)	(2,418)	(6)	65^g	30	1,256	(23,136)
Non-current provisions	2,155	23	18		100 ^d	(140) ^d	(21) ^d	(42)	2,093
Current provisions	1,242	27	9		299	(239)	(16)	8	1,330
TOTAL LIABILITIES	3,397	50	27		399	(379)^g	(37)	(34)	3,423

(a) Changes in scope of consolidation relate mainly to the acquisitions of Destia Oy by Colas and iZen by TF1.

(b) Depreciation, amortisation and impairment losses on property, plant and equipment, intangible assets, and right of use of leased assets.

(c) Recognised in "Other operating income and expenses" or "Other financial income and expenses".

(d) The net aggregate amount of depreciation, amortisation, provisions and impairment charged against non-current assets is €1,980m (see the consolidated cash flow statement).

(e) Mainly a reduction in depreciation following disposals or retirements of plant and equipment including €196m for Bouygues Construction, €436m for Colas and €313m for Bouygues Telecom.

(f) Due mainly to lease amendments, resulting in partial derecognition of right of use assets.

(g) Unutilised reversals of €444m, as shown in a footnote to the consolidated income statement.

Note 5 Consolidated shareholders' equity

5.1 Shareholders' equity at 31 December 2021 attributable to the Group and to non-controlling interests

	Share capital	Share premium	Reserves related to capital	Retained earnings	Consolidated reserves and profit/(loss) for period	Treasury shares	Items recognised directly in equity	31/12/2021
Attributable to the Group	383	2,442	809	2,497	5,213	(88)	(112)	11,144
Attributable to non-controlling interests					1,679		(34)	1,645 ^a
TOTAL SHAREHOLDERS' EQUITY	383	2,442	809	2,497	6,892	(88)	(146)	12,789

(a) Includes €997m for TF1 and €505m for Bouygues Telecom.

5.2 Share capital of Bouygues SA

As of 31 December 2021, the share capital of Bouygues SA consisted of 382,504,795 shares with a €1 par value. Movements during 2021 were as follows:

	31/12/2020	Movements during 2021		31/12/2021
		Increases	Reductions	
Shares	380,759,842	1,744,953		382,504,795
NUMBER OF SHARES	380,759,842	1,744,953		382,504,795
Par value	€1			€1
Share capital (€)	380,759,842	1,744,953		382,504,795

The net capital increase of €53 million (see the consolidated statement of changes in shareholders' equity) corresponds to the issuance of 1,744,953 shares on exercise of stock options during 2021.

5.3 Analysis of income and expenses recognised directly in equity

	Note	2021	2020 restated
Reserve for actuarial gains/(losses)	5.3.1	62	(30)
Fair value remeasurement reserve: equity instruments	5.3.2	(4)	(7)
Translation reserve of controlled entities	5.3.3	110	(109)
Fair value remeasurement reserve: hedging instruments	5.3.4	59	8
Tax on items recognised directly in equity		(24)	11
Share of remeasurements of joint ventures and associates		38 ^a	(55) ^b
ATTRIBUTABLE TO THE GROUP		241	(182)
Other income and expenses attributable to non-controlling interests		12	(15)
TOTAL		253	(197)

(a) Relates mainly to Alstom (positive impact of €20m) and translation reserves at Colas (positive impact of €9m).

The €20m positive impact for Alstom includes:

- movements of €10m in the actuarial gains and losses reserve and €8m in the translation reserve in the first quarter of 2021; and
- the €2m net impact of the corporate actions of the first half of 2021 (see Note 1.2.1), comprising (i) a positive impact of €57m on the derecognition of the translation reserve and of hedging instruments, the opposite entry for which was recognised in profit or loss, and (ii) a negative impact of €55m on the derecognition of the actuarial gains and losses reserve and of equity instruments, the opposite entry for which was recognised in consolidation reserves (see Note 5.5).

(b) Relates mainly to Alstom (negative impact of €29m) and translation reserves at Colas and Bouygues Construction (negative impact of €19m). The €29m negative impact for Alstom includes the effect of (i) the sale of a 4.8% equity interest in Alstom and (ii) the first rights issue carried out by Alstom in connection with the acquisition of Bombardier Transportation (negative impact: €38m), the opposite entry for which was recorded in consolidation reserves.

5.3.1 Reserve for actuarial gains and losses on employee benefits (attributable to the Group)

	31/12/2020 restated	Movements during 2021	31/12/2021
Movement before tax (controlled entities)	(283)	62 ^a	(221)

(a) Relates mainly to (i) the change in the iBoxx A10+ rate in France to 1.01% as of 31 December 2021, compared with 0.60% as of 31 December 2020 and (ii) an increase in the fair value of plan assets.

5.3.2 Fair value remeasurement reserve: equity instruments (attributable to the Group)

	31/12/2020	Movements during 2021	31/12/2021
Movement before tax (controlled entities)	(20)	(4)	(24)

5.3.3 Translation reserve (attributable to the Group)

The principal translation reserves as of 31 December 2021 arising on the consolidated financial statements of foreign controlled entities, joint ventures and associates reporting in the following currencies are shown in the table below. The €183 million positive movement in the year mainly reflects (i) an increase of €111 million in the Colas translation reserve and (ii) a positive impact of €65 million from Alstom, including €56 million arising from the derecognition of the translation reserve following the corporate actions of the first half of 2021 (see Note 5.3) and the loss of significant influence on 2 June 2021 (see Note 1.2.1).

	31/12/2020	Movements during 2021	31/12/2021
US dollar	3	36	39
Australian dollar	3		3
Canadian dollar	(37)	54	17
Hong Kong dollar	(7)	6	(1)
Swiss franc	32	7	39
Pound sterling	8	6	14
Alstom translation reserve	(65)	65	
Other currencies	(28)	9	(19)
TOTAL	(91)	183 ^a	92

(a) Includes a positive impact of €73m for joint ventures and associates.

5.3.4 Fair value remeasurement reserve: hedging instruments (attributable to the Group)

This reserve contains movements caused by the remeasurement at fair value of financial instruments used for hedging purposes. Movements for the period are shown below:

	31/12/2020	Movements during 2021	31/12/2021
Movement before tax (controlled entities) ^a	(81)	59 ^b	(22)

(a) Mainly relates to cash flow hedges and currency hedges.

(b) Includes €38m relating to a pre-hedging swap contracted in connection with (i) the financing of the acquisition of Equans and (ii) a new bond issue in 2023.

5.4 Analysis of share-based payment (attributable to the Group)

The impact on consolidated shareholders' equity of share-based payment (IFRS 2) is as follows:

	31/12/2021	31/12/2020
Transfer to reserves:		
Expense calculated for plans awarded by TF1 in the last 5 years	1	1
Expense calculated for plans awarded by Bouygues SA in the last 5 years	8	3
TOTAL	9	4

5.5 Analysis of “Acquisitions/disposals without change of control and other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)”

The net increase of €127 million mainly reflects:

- the €55 million impact of derecognising (i) reserves for actuarial gains and losses and (ii) equity instruments, recorded on the line “Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)” within consolidated reserves, following the corporate actions of the first half of 2021 (see Notes 1.2.1 and 5.3);
- the €57 million impact of the portion of the Bouygues Telecom rights issue subscribed by JCDecaux Holding; and
- the €9 million impact of liabilities and fair value remeasurements relating to commitments to buy out non-controlling interests in TF1 subsidiaries.

Note 6 Non-current and current provisions

6.1 Non-current provisions

Non-current provisions amounted to €2,093 million as of 31 December 2021:

	Employee benefits ^a	Litigation and claims ^b	Guarantees given ^c	Other non-current provisions ^d	Total
31/12/2019 restated	857	252	391	584	2,084
Movements during 2020 restated					
Translation adjustments	(5)	(3)	(6)	(7)	(21)
Changes in scope of consolidation	1			(4)	(3)
Charges to provisions	94	76	98	101	369
Reversals of utilised provisions	(97)	(24)	(70)	(41)	(232)
Reversals of unutilised provisions	(15)	(20)	(36)	(18)	(89)
Actuarial gains and losses	39				39
Transfers and other movements	(6)	1	1	12	8
31/12/2020 restated	868	282	378	627	2,155
Movements during 2021					
Translation adjustments	8	2	6	7	23
Changes in scope of consolidation	7		2	9	18
Charges to provisions	82	62	116	105	365
Reversals of utilised provisions	(81)	(54)	(79)	(71)	(285)
Reversals of unutilised provisions	(19)	(41)	(30)	(51)	(141)
Actuarial gains and losses	(56)				(56) ^e
Transfers and other movements		(5)	3	16	14
31/12/2021	809	246	396	642	2,093

Provisions are measured on the basis of management's best estimate of the risk.

		Principal segments involved:	
(a) Employee benefits (see Note 20.2)	809		
Lump-sum retirement benefits	519	Bouygues Construction	289
Long-service awards	124	Colas	350
Other long-term employee benefits	166	TF1	38
		Bouygues Telecom	90
(b) Litigation and claims	246		
Provisions for customer disputes	79	Bouygues Construction	90
Subcontractor claims	40	Bouygues Immobilier	25
Employee-related and other litigation and claims	127	Colas	72
		Bouygues Telecom	51
(c) Guarantees given	396		
Provisions for 10-year construction guarantees	258	Bouygues Construction	293
Provisions for additional building/civil engineering/civil works guarantees	138	Bouygues Immobilier	24
		Colas	78
(d) Other non-current provisions	642		
Provisions for miscellaneous foreign risks	40	Bouygues Construction	119
Risks relating to non-controlled entities	123	Colas	345
Dismantling and site rehabilitation	309	Bouygues Telecom	119
Provisions for social security inspections	103		
Other non-current provisions	67		
(e) The corresponding figure in the consolidated statement of recognised income and expense is €65m, which includes net actuarial gains of €9m on overfunded plans (shown on the assets side of the balance sheet).			

6.2 Current provisions

Provisions related to the operating cycle as of 31 December 2021 amounted to €1,330 million:

	Provisions for customer warranties	Provisions for project risks and project completion ^a	Provisions for expected losses to completion ^a	Other current provisions ^b	Total
31/12/2019	38	394	404	300	1,136
Movements during 2020					
Translation adjustments	(1)	(11)	(1)	(9)	(22)
Changes in scope of consolidation					
Charges to provisions	17	201	255	176	649
Reversals of utilised provisions	(3)	(112)	(108)	(118)	(341)
Reversals of unutilised provisions	(6)	(87)	(51)	(29)	(173)
Transfers and other movements	(1)	(2)	(1)	(3)	(7)
31/12/2020	44	383	498	317	1,242
Movements during 2021					
Translation adjustments	1	11	9	6	27
Changes in scope of consolidation			3	6	9
Charges to provisions	14	250	258	155	677
Reversals of utilised provisions	(5)	(145)	(137)	(107)	(394)
Reversals of unutilised provisions	(9)	(102)	(81)	(47)	(239)
Transfers and other movements	(3)	12	2	(3)	8
31/12/2021	42	409	552	327	1,330

(a) Mainly Bouygues Construction and Colas.

(Individual project provisions are not disclosed for confidentiality reasons).

(b) Other current provisions:

Reinsurance provisions	
Restructuring provisions	
Site rehabilitation (current portion)	
Miscellaneous current provisions	

327

37

9

26

255

Principal segments involved:

Bouygues Construction	139
Bouygues Immobilier	27
Colas	112
TF1	27

Note 7 Deferred tax assets and liabilities

The deferred tax assets and liabilities relating to the tax losses of the entities included in the Bouygues SA group tax election (Bouygues Construction, Bouygues Immobilier and Colas) are presented on the "Bouygues SA & other" line in the table below.

7.1 Deferred tax assets

Deferred tax assets	31/12/2020 restated	Movements during 2021	31/12/2021
Bouygues Construction	47	(2)	45
Bouygues Immobilier	24	(5)	19
Colas	138	(1)	137
TF1			
Bouygues Telecom			
Group tax election: Bouygues SA & other	125	(34)	91
TOTAL	334	(42)	292

Deferred tax assets mainly arise from temporary differences (such as provisions temporarily non-deductible for tax purposes), and from tax losses with a genuine probability of recovery.

7.2 Deferred tax liabilities

Deferred tax liabilities	31/12/2020 restated	Movements during 2021	31/12/2021
Bouygues Construction	15	2	17
Bouygues Immobilier	5	(5)	
Colas	100	13	113
TF1	38	(8)	30
Bouygues Telecom	118	59	177
Group tax election: Bouygues SA & other	7		7
TOTAL	283	61	344

The deferred tax position as of 31 December 2021 represented a net liability of €52 million; see Note 7.3 for an analysis by business segment.

The €103 million increase in deferred tax liabilities relative to 31 December 2020 is explained mainly by (i) the impact of the final purchase price allocation of BTBD (formerly EIT) at Bouygues Telecom, (ii) the offset during the year of past tax losses, especially at Bouygues Telecom (BTBD) and within the Bouygues SA group tax election, and (iii) deferred tax liabilities recognised in equity.

7.3 Net deferred tax asset/liability by business segment

Net deferred tax asset/liability by segment and type	Net deferred tax asset/ (liability) at 31/12/2020 restated	Translation adjustments	Changes in scope of consolidation	Movements during 2021			Net deferred tax asset/ (liability) at 31/12/2021
				Gain	Expense	Other movements ^a	
A - Tax losses							
Bouygues Construction				1	(2)	1	
Bouygues Immobilier	3				(1)		2
Colas	5					(1)	4
TF1	4				(3)		1
Bouygues Telecom	18			1	(17)		2
Group tax election: Bouygues SA & other	120				(19)		101 ^b
SUB-TOTAL	150			2	(42)		110
B - Temporary differences							
Bouygues Construction	32		1	10	(17)	2	28
Bouygues Immobilier	16				(4)	5	17
Colas	33	(5)	2	6		(16)	20
TF1	(42)		8	5		(2)	(31)
Bouygues Telecom	(136)			8		(51)	(179)
Group tax election: Bouygues SA & other	(2)			2	(10)	(7)	(17)
SUB-TOTAL	(99)	(5)	11	31	(31)	(69)	(162)
TOTAL	51	(5)	11	33	(73)	(69)	(52)

(a) "Other movements" include (i) a negative impact of €24m from deferred taxes recognised in equity in the statement of recognised income and expense (mainly on fair value remeasurements of financial instruments, and on actuarial gains/losses on employee benefits) and (ii) the impact of the final purchase price allocation of BTBD at Bouygues Telecom (see Note 1.2.2).

(b) Overall tax loss arising on the group tax election, representing a tax base of €391m as of 31 December 2021 and expected to reverse over three years.

Principal sources of deferred taxation:	31/12/2021	31/12/2020 restated
• Deferred tax assets on employee benefits (mainly lump-sum retirement benefits and pensions)	145	143
• Tax losses	110	150
• Restricted provisions booked solely for tax purposes	(123)	(117)
• Other items	(184) ^a	(125)
TOTAL	(52)	51

(a) Mainly relates to deferred tax liabilities arising on consolidation adjustments, and to the final purchase price allocation of BTBD (Bouygues Telecom).

7.4 Period to recovery of deferred tax assets

31/12/2021	Less than 2 years	2 to 5 years	More than 5 years	Total
Estimated period to recovery of deferred tax assets	156	48	88 ^a	292

(a) Mainly deferred tax assets on employee benefits at Bouygues Construction and Colas.

7.5 Unrecognised deferred tax assets

Some deferred tax assets were not recognised as of 31 December 2021 due to the low probability of recovery (mainly tax losses generated abroad or in France by companies not included in the Bouygues SA group tax election).

	31/12/2020	Movements during 2021	31/12/2021
Bouygues Construction	260	81	341
Bouygues Immobilier	30	1	31
Colas	79	18	97
TF1	12	(6)	6
TOTAL	381	94	475

Note 8 Non-current and current debt

8.1 Interest-bearing debt by maturity

	Current debt at 31 December				Non-current debt at 31 December								Total maturing after >1y 2021	Total maturing after >1y 2020
	Accrued interest	1-3m	4-12m	Total maturing in <1y 2021	Total maturing in <1y 2020	1-2y	2-3y	3-4y	4-5y	5-6y	≥6y			
Bond issues	86	798		884	90	697			593	741	1,783	3,814	3,811	
Bank borrowings		91	249	340	299	374	144	627	32	21	367	1,565	1,344	
Other borrowings		12	88	100	85	90	121	72	103	15	25	426	389	
TOTAL DEBT	86	901	337	1,324		1,161	265	699	728	777	2,175	5,805		
Total 31/12/2020	90	180	204		474	1,310	987	109	706	643	1,789		5,544	

Non-current debt increased by €261 million in 2021. This mainly reflects (i) the €800 million bond issue carried out by Bouygues SA in October 2021, offset by the reclassification from non-current to current of the €800 million bond issue maturing in February 2022, and (ii) a €333 million non-current loan granted to Bouygues Telecom by the European Investment Bank.

Current debt rose by €850 million in 2021, due mainly to the reclassification from non-current to current of the €800 million bond issue maturing in February 2022.

The table below lists all outstanding Bouygues bond issues. The quoted price in each case is presented as a percentage of the nominal, on a full price basis (i.e. including accrued interest):

ISIN	Issue date	Maturity	Nominal value on maturity	Interest rate (%)	Quoted price at 31/12/2021, as % of nominal on full price basis ^a
FR0011193515	09/02/2012	09/02/2022	800	4.500	100.5120
FR0011332196	02/10/2012	16/01/2023	700	3.625	104.2210
FR0010379255	06/10/2006	06/10/2026	595 ^b	5.500	118.5940
FR0013222494	07/12/2016	07/06/2027	750	1.375	106.0630
FR0013507654	14/04/2020	24/07/2028	1,000	1.125	104.5540
FR0014006CS9	03/11/2021	11/02/2030	800	0.500	99.2680
TOTAL			4,645		

(a) Source: Bloomberg.

(b) Equivalent value in euros of the sterling-denominated nominal value.

8.2 Confirmed credit facilities and drawdowns

Description	Confirmed facilities – Maturity				Drawdowns – Maturity			
	Less than 1 year	From 1 to 5 years	More than 5 years	Total	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Bond issues (mainly Bouygues SA)	884	1,290	2,524	4,698	884	1,290	2,524	4,698
Bank borrowings	878	14,096 ^b	1,194	16,168	340	1,177	388	1,905
Other borrowings	100	386	40	526	100	386	40	526
TOTAL ^a	1,862	15,772	3,758	21,392	1,324	2,853	2,952	7,129

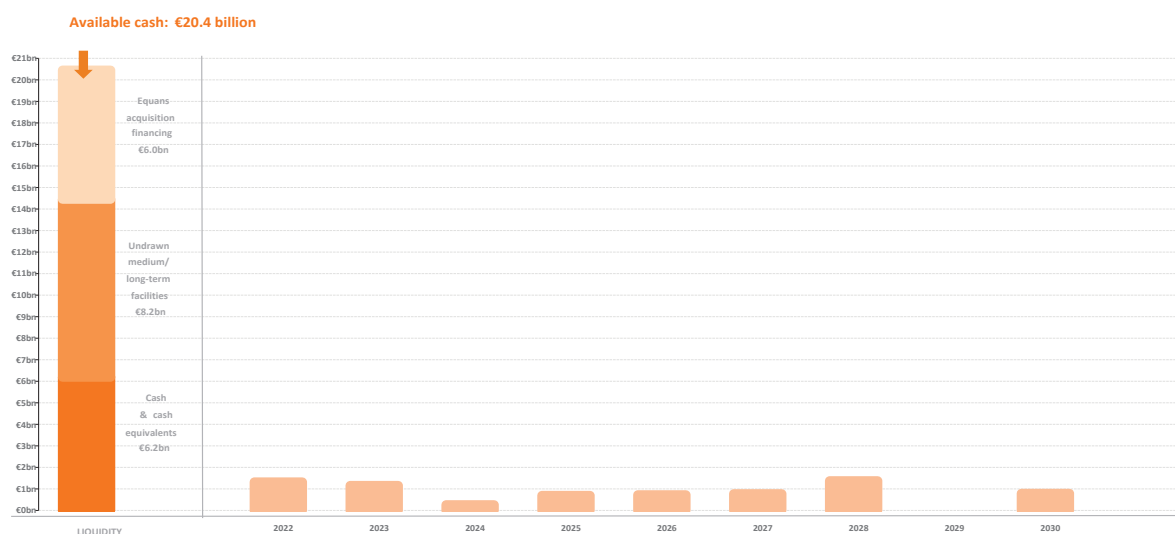
(a) Confirmed undrawn credit facilities: €14,263m.

(b) Includes a syndicated facility of €6 billion for the planned acquisition of Equans, expiring on the earlier of two years after closing of the deal or 31 March 2025.

8.3 Liquidity at 31 December 2021

As of 31 December 2021, available cash stood at €6,188 million. The Group also had €14,263 million of undrawn confirmed credit facilities at the same date.

Debt maturity schedule (drawdowns) at 31 December 2021



All bond issues contain a change of control clause relating to Bouygues SA.

The bank credit facilities contracted by Bouygues SA contain no financial covenants or trigger event clauses. The same applies to facilities used by Bouygues SA subsidiaries.

8.4 Split of current and non-current debt by interest rate type

Split of current and non-current debt, including the effect of all open interest rate hedges at the end of the reporting period:

%	31/12/2021	31/12/2020
Fixed rate debt ^a	77	69
Floating rate debt	23	31

(a) Rates fixed for more than one year.

8.5 Interest rate risk

The split of financial assets and financial liabilities by type of interest as of 31 December 2021 is shown below:

	Floating rate	Fixed rate	Total
Financial liabilities (debt) ^a	(2,476)	(4,653)	(7,129)
Financial assets (net cash position)	6,188		6,188
Net pre-hedging position	3,712	(4,653)	(941)
Interest rate hedges ^b	842	(842)	
Net post-hedging position	4,554	(5,495)	(941)
Adjustment for seasonal nature of some activities ^c	356		
Net post-hedging position after adjustment	4,910		

(a) Call options and contingent consideration recognised as financial liabilities under IFRS 9 are treated as fixed rate.

(b) Excludes the pre-hedging as of 31 December 2021 of the €3bn bond issue for refinancing the Equans acquisition.

(c) At Colas, operations and cash flows from operations are subject to marked seasonal fluctuations. This adjustment gives an approximation of the average cash position over the full year, which is used as the basis for analysing the sensitivity of interest expense to changes in interest rates. It corresponds to the difference between the average cash position over the full year, and the net cash position in the balance sheet at 31 December.

The effect of an immediate 1% rise in short-term interest rates on the “net post-hedging position after adjustment” exposed to interest rate risk (as presented above) would be a deterioration in the cost of net debt of €49 million over a full year.

8.6 Split of current and non-current debt by currency

	Europe			US dollar	Canadian dollar	Other currencies	Total
	Euro	Pound sterling	Other currencies				
Non-current: 31/12/2021	5,035	650	6	41	3	70	5,805
Current: 31/12/2021	1,289	17	1	5	2	10	1,324
Non-current: 31/12/2020	4,608	653	4	30	195	54	5,544
Current: 31/12/2020	431	16	5	4		18	474

An analysis of debt by business segment is provided in Note 17.

Details by segment of collateral and pledges given by the Bouygues group are provided in Note 19.1.

Note 9 Main components of change in net debt

9.1 Change in net debt

	31/12/2020	Translation adjustments	Changes in scope of consolidation	Cash flows	Fair value adjustments	Other movements	31/12/2021
Cash and cash equivalents	4,224	(1)	27	2,251			6,501
Overdrafts and short-term bank borrowings	(187)	65	(4)	(225)			(351)
NET CASH POSITION (A) ^a	4,037	64	23	2,026			6,150
Non-current debt	5,544	24	3	1,247 ^b	(20)	(993) ^d	5,805
Current debt	474	3	1	(190) ^b	(2)	1,038 ^d	1,324
Financial instruments, net					(38)		(38)
TOTAL DEBT (B)	6,018	27	4	1,057	(60)	45	7,091
NET DEBT (A)-(B)	(1,981)	37	19	969	60	(45) ^c	(941)

(a) Net cash inflow of €2,113m, as reported in the consolidated cash flow statement.

(b) Net cash inflow for 2021 of €1,057m, as reported in the consolidated cash flow statement, and comprising total inflows of €3,282m and total outflows of €2,225m.

(c) Movement related mainly to the €52m BTBD contingent purchase consideration (recognised as a financial liability) and call options over non-controlling interests in TF1 subsidiaries.

(d) Includes €800m for the reclassification from non-current to current of the bond issue maturing in February 2022.

9.2 Principal changes in net debt during 2021

NET DEBT AT 31 DECEMBER 2020	(1,981)
Alstom: partial divestments of equity interests (6.19%), net of transaction costs	984
Other acquisitions/disposals of consolidated activities, non-consolidated companies and other long-term investments, including changes in scope of consolidation and commitments to buy out non-controlling interests	(288) ^a
Payment for 5G frequencies	(86)
Transactions involving the share capital of Bouygues SA	(21)
Dividends paid	(738)
Operating items	1,189
NET DEBT AT 31 DECEMBER 2021	(941)

(a) Relates mainly to the acquisition of Destia Oy by Colas for €222m (see Note 1.2.1) and the BTBD contingent purchase consideration (€52m).

Note 10 Non-current lease and current lease obligations

10.1 Maturity analysis of lease obligations

	Current lease obligations			Non-current lease obligations						Total maturing after > 1 year
	1 to 3 months	4 to 12 months	Total maturing in < 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 or more years	
TOTAL 31/12/2021	89	273	362	310	269	236	180	133	345	1,473
TOTAL 31/12/2020	91	268	359	293	251	214	181	130	305	1,374

10.2 Movement in lease obligations

	31/12/2020	Translation adjustments	Changes in scope of consolidation	Cash flows	New leases, lease modifications, and other lease-related movements	31/12/2021
Non-current lease obligations	1,374	17	(11)		93	1,473
Current lease obligations	359	6	34	(361)	324	362
TOTAL LEASE OBLIGATIONS	1,733	23	23	(361)	417	1,835

Note 11 Current liabilities

11.1 Current liabilities

	31/12/2021	31/12/2020
Current debt ^a	1,324	474
Current lease obligations	362	359
Current taxes payable	196	165
Trade payables	8,266	7,200
Customer contract liabilities ^b	4,305	4,098
Current provisions ^c	1,330	1,242
Other current liabilities:		
• Other operating liabilities (employees, social security, government)	3,152	2,927
• Deferred income	125	81
• Other non-financial liabilities	2,702	2,621
Overdrafts and short-term bank borrowings	351	187
Financial instruments – Hedging of debt	9	11
Other current financial liabilities	16	19
TOTAL	22,138	19,384

(a) See analysis in Note 8.

(b) See analysis in Note 11.2.

(c) See analysis in Note 6.2.

11.2 Customer contract liabilities

	31/12/2020	Movements during 2021			31/12/2021
		Translation adjustments	Changes in scope of consolidation & other movements	Movements arising from operating activities	
Advances and down-payments received on orders ^a	1,064	14		(99)	979
Differences relating to percentage of completion on contracts ^b	3,034	57	38 ^c	197	3,326
CUSTOMER CONTRACT LIABILITIES	4,098	71	38	98	4,305

(a) As of 31 December 2021, "Advances and down-payments received on orders" included €1m (€6m as of 31 December 2020) of advances received from customers on signature of deeds of sale in respect of off-plan sales under property development programmes.

These sums are not refundable and are used to finance work on the programmes; virtually all of these sums had been disbursed as of 31 December 2021.

(b) Mainly comprises deferred income on construction contracts at Bouygues Construction.

(c) Relates mainly to the first-time consolidation of Destia Oy by Colas.

Note 12 Sales

12.1 Analysis by business segment

Sales by geographical area are allocated to the territory in which the sale is generated.

	2021 sales				2020 sales			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	5,225	7,401	12,626	34	4,694	7,230	11,924	34
Bouygues Immobilier	2,002	113	2,115	6	1,920	112	2,032	6
Colas	6,011	7,170	13,181	35	5,509	6,743	12,252	35
TF1	2,118	269	2,387	6	1,859	177	2,036	6
Bouygues Telecom	7,226		7,226	19	6,409		6,409	19
Bouygues SA & other	13	41	54		10	31	41	
CONSOLIDATED SALES	22,595	14,994	37,589	100	20,401	14,293	34,694	100

An analysis of sales by accounting classification and segment is provided in Note 17.

There were no material exchanges of goods or services in the years ended 31 December 2021 and 2020, and there is no material revenue that is contingent on a performance obligation that pre-dates the reporting period.

12.2 Analysis by geographical area

	2021 sales		2020 sales	
	Total	%	Total	%
France	22,595	60	20,401	59
European Union (27 members)	2,704	7	2,339	7
Rest of Europe	4,550	12	4,200	12
Africa	947	3	910	3
Middle East	44	0	81	0
North America	4,181	11	3,905	11
Central and South America	294	1	341	1
Asia-Pacific	2,274	6	2,517	7
TOTAL	37,589	100	34,694	100

The United Kingdom accounts for 61% of sales in the "Rest of Europe" region, primarily in construction businesses. Those operations are carried out locally within the United Kingdom, and have no material exposure to uncertainties relating to imports and exports.

12.3 Split by type of contract, France/International

%	2021			2020		
	France	International	Total	France	International	Total
Public-sector contracts ^a	26	44	33	28	49	36
Private-sector contracts	74	56	67	72	51	64

(a) Sales billed directly to government departments, local authorities or public enterprises (mainly works and maintenance contracts).

12.4 Order backlog

The Group's order backlog stood at €37,153 million as of 31 December 2021.

	Movements during 2021				31/12/2021
	31/12/2020	Translation adjustments	Changes in scope of consolidation	Other movements arising from operating activities	
Construction businesses	33,120	193	755	(844)	33,224
Bouygues Construction	21,987	161		(1,389) ^a	20,759
Bouygues Immobilier	1,981			(242)	1,739
Colas	9,152	32	755 ^b	787	10,726
TF1	225		9	(33)	201
Bouygues Telecom	2,926			852	3,778
Inter-segment adjustments	(74)			24	(50)
TOTAL ORDER BACKLOG	36,197	193	764	(1)	37,153
maturing within less than 1 year	18,732				19,662
maturing within 1 to 5 years	14,397				14,380
maturing after more than 5 years	3,068				3,111

(a) Includes an order intake of €11,094m.

(b) Relates to Destia Oy.

For Bouygues Construction and Colas, the order backlog represents the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensive conditions lifted).

For Bouygues Immobilier, the order backlog represents notarised sales not yet completed, and total revenue from all reservations signed but not yet notarised. In accordance with IFRS 11, Bouygues Immobilier excludes from the order backlog revenue from reservations taken through equity-accounted joint ventures (jointly-controlled co-promotion entities).

The TF1 order backlog represents the amount of work still to be done on productions for which a firm order has been taken, i.e. the contract has been signed and has taken effect.

The Bouygues Telecom order backlog mainly comprises subscription revenue chargeable to customers up to the end of their contractually agreed term.

Note 13 Operating profit

	2021	2020
CURRENT OPERATING PROFIT	1,693	1,222
Other operating income	115	86
Other operating expenses	(75)	(184)
OPERATING PROFIT	1,733	1,124

See Note 17 for an analysis of current operating profit and operating profit by business segment.

Current operating profit for 2021 incorporates lease expenses of €1,045 million, which includes lease expenses relating to contracts exempt from IFRS 16 (see Note 2.11.2). The 2021 figure relates mainly to short-term leases and to leases of assets with a low as-new value at Colas and Bouygues Construction. The non-lease (service) component of lease contracts is recognised in "External charges".

Current operating profit for 2021 also includes amortisation charged against non-current assets recognised in purchase price allocations carried out in relation to business combinations, amounting to €51 million in 2021 and €29 million in 2020. The year-on-year increase of €22 million is mainly attributable to amortisation of the customer base of BTBD (formerly EIT) at Bouygues Telecom.

Other operating income and expenses:

2021

Other operating income and expenses represented net income of €40 million, relating to Bouygues Telecom, Bouygues Immobilier, Colas, TF1 and Bouygues SA, and comprising:

- Bouygues Telecom: €114 million of gains on disposals of mobile switching centres (see Note 1.2.1), partly offset by costs of €13 million on the roll-out of network sharing and €10 million of net other operating expenses;
- Bouygues Immobilier: €8 million of adaptation costs;
- Colas: €10 million of costs relating to the acquisition of Destia Oy, and additional dismantling costs at the Dunkirk site;
- TF1: €10 million of costs relating to the proposed merger of TF1 and M6; and
- Bouygues SA: €23 million of costs, relating mainly to the proposed merger of TF1 and M6 and the plan to acquire Equans from Engie (see Note 1.2.1).

2020

Other operating income and expenses represented a net expense of €98 million, relating to Bouygues Construction, Bouygues Telecom, Bouygues Immobilier, Colas and TF1, and comprising:

- Bouygues Construction: €41 million of compensation received from Alpiq (see Note 1.2.2) net of costs, partly offset by €5 million of costs related to the cyber-attack net of insurance payouts;
- Bouygues Telecom: €39 million of gains on asset disposals (transfer of sites to Cellnex) plus €3 million of other operating income, partly offset by costs of €14 million on the roll-out of network sharing;
- Bouygues Immobilier: €11 million of net restructuring costs and €6 million of impairment losses on land in Spain, following the discontinuation of residential property development operations in that country;
- Colas: €71 million of net restructuring costs related to the reorganisation of operations in France and additional dismantling costs at the Dunkirk site, partly offset by €2 million of compensation received from Alpiq (see Note 1.2.2); and
- TF1: €75 million of impairment losses taken against the goodwill and brands of the Unify division.

Note 14 Cost of net debt and other financial income and expenses

14.1 Analysis of cost of net debt

	2021	2020
Financial expenses, comprising:	(176)	(199)
Interest expense on debt	(162)	(186)
Interest expense related to treasury management	(14)	(13)
Negative impact of financial instruments		
Financial income, comprising:	21	32
Interest income from cash and cash equivalents	19	26
Income and gains on disposal from cash and cash equivalents	2	6
COST OF NET DEBT	(155)	(167)

See Note 17 for an analysis of cost of net debt by business segment.

Cost of net debt was €12 million lower year-on-year, reflecting lower interest rates on bond issues.

14.2 Other financial income and expenses

	2021	2020
Other financial income	63	47
Other financial expenses	(74)	(80)
OTHER FINANCIAL INCOME/(EXPENSES), NET	(11)	(33)

Other financial income and expenses include financial income from equity holdings; gains or losses on disposals of investments in non-consolidated companies; interest paid to investors on calls for funds (commercial property); commitment fees; changes in the fair value of "Other current financial assets"; dividends received from non-consolidated companies; and other items arising during the period.

Overall, net financial expense decreased by €22 million year-on-year, the main reason being that reversals of impairment allowances against non-current financial assets were higher than in 2020.

Note 15 Income tax expense

15.1 Analysis of income tax expense

	2021			2020		
	France	Other countries	Total	France	Other countries	Total
Tax payable to the tax authorities	(233)	(159)	(392)	(249)	(122)	(371)
Change in deferred tax liabilities	(1)	4	3	26	5	31
Change in deferred tax assets	(55)	12	(43)	22	1	23
TOTAL	(289)	(143)	(432)	(201)	(116)	(317)

See Note 17 for an analysis of income tax expense by business segment.

15.2 Tax proof (reconciliation between standard tax rate and effective tax rate)

Differences between the standard corporate income tax rate applicable in France and the effective tax rate based on the consolidated financial statements are explained as follows:

	2021	2020
NET PROFIT FOR THE PERIOD (100%)	1,305	770
Eliminations:		
Income tax	432	317
Net profit/(loss) from discontinued operations	None	None
Share of net (profits)/losses of joint ventures and associates	(222)	(216)
NET PRE-TAX PROFIT FROM CONTINUING OPERATIONS	1,515	871
Standard annual tax rate in France	28.41%	32.02%
Effect of non-recognition of tax loss carry-forwards and other temporary differences created/(utilised)	4.58%	12.28%
Effect of permanent differences	0.28%	(2.05)%
Flat-rate taxes, dividend taxes and tax credits	(1.39)%	(1.49)%
Differential tax rates applied to gains on disposals	(0.67)%	(0.23)%
Differential income tax rates, foreign taxes, impact of future enacted tax rates	(2.71)%	(4.13)%
EFFECTIVE TAX RATE	28.51%	36.39%

The effective tax rate for 2021 was 29%, versus 36% in 2020. The 2021 effective tax rate was mainly impacted by tax losses outside France for which no deferred tax asset was recognised, partially offset by the effects of differences in income tax rates outside France. The year-on-year reduction in the effective tax rate mainly reflects the lower level in 2021 of tax losses outside France for which no deferred tax asset was recognised, given that such tax losses were higher in 2020 due to the Covid-19 pandemic. The reduction in the standard corporate income tax rate in France from 32.02% to 28.41% also contributed, although to a lesser extent.

Note 16 Net profit from continuing operations and basic/diluted earnings per share

Basic earnings per share from continuing operations is calculated by dividing net profit from continuing operations attributable to the Group by the weighted average number of shares outstanding during 2021, excluding the average number of ordinary shares bought and held as treasury shares.

	2021	2020
Net profit from continuing operations attributable to the Group (€m)	1,125	696
Weighted average number of shares outstanding	381,496,616	380,216,641
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (€)	2.95	1.83

Diluted earnings per share from continuing operations is calculated by reference to the weighted average number of shares outstanding, adjusted for the conversion of all potentially dilutive shares (i.e. stock subscription options legally exercisable and in the money at the end of the reporting period).

	2021	2020
Net profit from continuing operations attributable to the Group (€m)	1,125	696
Weighted average number of shares outstanding	381,496,616	380,216,641
Adjustment for potentially dilutive effect of stock options	444,659	213,055
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (€)	2.95	1.83

Note 17 Segment information

The segment information below is presented by business segment (CGU): Bouygues Construction (Construction & Services), Bouygues Immobilier (Property), Colas (Transport Infrastructure), TF1 (Media), Bouygues Telecom (Telecoms), and “Bouygues SA & other”.

Inter-segment sales are generally conducted on an arm’s length basis.

An analysis of sales by geographical area is provided in Note 12.2.

The operating segments used in reporting by business segment are those reviewed by the chief operational decision-maker of the Group, and are not

aggregated for segment reporting purposes. This information is used to allocate resources to operating segments, and to monitor their performance.

Operating segment information is compiled using the same accounting policies as used in the preparation of the consolidated financial statements, as described in the notes to the financial statements.

The “Bouygues SA & other” segment includes contributions from holding companies, and from entities dedicated to the centralised financing of the Group.

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
2021 INCOME STATEMENT							
Advertising				1,695			1,695
Sales of services	4,277	75	234	661	5,586	213	11,046
Other sales from construction businesses	8,423	2,041	10,386				20,850
Other revenues	70		2,606	71	1,670		4,417
Total sales	12,770	2,116	13,226	2,427	7,256	213	38,008
Inter-segment sales	(144)	(1)	(45)	(40)	(30)	(159)	(419)
THIRD-PARTY SALES	12,626	2,115	13,181	2,387	7,226	54	37,589
CURRENT OPERATING PROFIT/(LOSS)	342	43	440	343	572	(47)	1,693
Other operating income					115		115
Other operating expenses		(8)	(10)	(10)	(24)	(23)	(75)
OPERATING PROFIT/(LOSS)	342	35	430	333	663	(70)	1,733
Income from net surplus cash/ (cost of net debt)	11		(22)	(2)	(11)	(131)	(155)
Interest expense on lease obligations	(9)	(1)	(15)	(3)	(24)		(52)
Income tax	(117)	(10)	(148)	(70)	(159)	72	(432)
Share of profits/(losses) of joint ventures and associates	25	(2)	22	(29)	(14)	220	222
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	276	7	263	224	445	90	1,305
Net profit/(loss) from discontinued operations							
NET PROFIT/(LOSS)	276	7	263	224	445	90	1,305
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	274	7	253	98	403	90	1,125

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	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
2020 INCOME STATEMENT							
Advertising				1,483			1,483
Sales of services	4,033	110	250	505	4,893	180	9,971
Other sales from construction businesses	7,928	1,922	9,823				19,673
Other revenues	86		2,224	94	1,545		3,949
Total sales	12,047	2,032	12,297	2,082	6,438	180	35,076
Inter-segment sales	(123)		(45)	(46)	(29)	(139)	(382)
THIRD-PARTY SALES	11,924	2,032	12,252	2,036	6,409	41	34,694
CURRENT OPERATING PROFIT/(LOSS)	171	12	254	190	623	(28)	1,222
Other operating income	41		2		42	1	86
Other operating expenses	(5)	(17)	(71)	(75)	(14)	(2)	(184)
OPERATING PROFIT/(LOSS)	207	(5)	185	115	651	(29)	1,124
Income from net surplus cash/ (cost of net debt)	13	(1)	(27)	(1)	(10)	(141)	(167)
Interest expense on lease obligations	(10)	(1)	(15)	(3)	(24)		(53)
Income tax	(103)		(86)	(37)	(173)	82	(317)
Share of profits/(losses) of joint ventures and associates	38	(4)	38	(11)	(15)	170	216
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	154	(30)	94	54	417	81	770
Net profit/(loss) from discontinued operations							
NET PROFIT/(LOSS)	154	(30)	94	54	417	81	770
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	152	(29)	91	24	377	81	696
2021 INCOME STATEMENT							
	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	342	43	440	343	572	(47)	1,693
• Interest expense on lease obligations	(9)	(1)	(15)	(3)	(24)		(52)
Elimination of net depreciation/amortisation expense and net charges to provisions and impairment losses:							
• Net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets	200	11	398	371	1,075	10	2,065
• Charges to provisions and other impairment losses, net of reversals due to utilisation	195	39	169	(5)	5	2	405
Elimination of items included in "Other income from operations":							
• Reversals of unutilised provisions and impairment and other items	(230)	(22)	(164)	(11)	(16)	(1)	(444)
EBITDA AFTER LEASES 2021	498	70	828	695	1,612	(36)	3,667

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	171	12	254	190	623	(28)	1,222
• Interest expense on lease obligations	(10)	(1)	(15)	(3)	(24)		(53)
Elimination of net depreciation/amortisation expense and net charges to provisions and impairment losses:							
• Net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets	218	10	442	261	891	10	1,832
• Charges to provisions and other impairment losses, net of reversals due to utilisation	244	38	237	17	25	(3)	558
Elimination of items included in "Other income from operations":							
• Reversals of unutilised provisions and impairment and other items	(199)	(12)	(89)	(11)	(13)	(2)	(326)
EBITDA AFTER LEASES 2020	424	47	829	454	1,502	(23)	3,233

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
BALANCE SHEET AT 31 DECEMBER 2021							
Investments in joint ventures and associates	109	87	370	16	295 ^a	1	878
Non-current provisions	(791)	(112)	(845)	(46)	(260)	(39)	(2,093)
Current provisions	(828)	(28)	(424)	(27)	(1)	(22)	(1,330)
Net debt at 31 December 2021:							
Cash and cash equivalents	4,956	54	547	384	286	274	6,501
Non-current debt	(885)	(9)	(168)	(109)	(1,671)	(2,963)	(5,805)
Current debt	(5)	(8)	(29)	(72)	(349)	(861)	(1,324)
Overdrafts and short-term bank borrowings	(545)	(179)	(383)	(4)		760	(351)
Financial instruments – Hedging of debt (assets/liabilities)				(1)		39	38
NET SURPLUS CASH/(NET DEBT)^c	3,521	(142)	(33)	198	(1,734)	(2,751)	(941)

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
BALANCE SHEET AT 31 DECEMBER 2020 RESTATED							
Investments in joint ventures and associates	95	47	395	11	284 ^a	711 ^b	1,543
Non-current provisions	(816)	(96)	(912)	(42)	(257)	(32)	(2,155)
Current provisions	(768)	(30)	(397)	(21)		(26)	(1,242)
Net debt at 31 December 2020:							
Cash and cash equivalents	4,582	60	606	179	70	(1,273)	4,224
Non-current debt	(1,065)	(18)	(346)	(141)	(1,561)	(2,413)	(5,544)
Current debt	(11)	(12)	(28)	(35)	(249)	(139)	(474)
Overdrafts and short-term bank borrowings	(363)	(336)	(238)	(4)		754	(187)
Financial instruments – Hedging of debt (assets/liabilities)			(1)			1	
NET SURPLUS CASH/(NET DEBT)^c	3,143	(306)	(7)	(1)	(1,740)	(3,070)	(1,981)

(a) Includes SDAIF: €280m as of 31 December 2021, €286m as of 31 December 2020.

(b) Includes Alstom: €711m as of 31 December 2020.

(c) Contribution at business segment level, including Bouygues Relais and Uniservice intra-group current accounts (these intra-group accounts are eliminated in the "Bouygues SA & other" column).

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 2021							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	359	50	702	583	1,562	(91)	3,165
Acquisitions of property, plant and equipment and intangible assets, net of disposals (II)	(71)	(6)	(234)	(331)	(1,331)	(1)	(1,974)
Repayment of lease obligations (III)	(76)	(8)	(110)	(19)	(145)	(3)	(361)
FREE CASH FLOW (I) + (II) + (III)	212	36	358	233	86	(95)	830
CHANGES IN WORKING CAPITAL REQUIREMENTS RELATED TO OPERATING ACTIVITIES, INCLUDING CURRENT IMPAIRMENT AND PROVISIONS							
	274	157	(140)	55	(190)	48	204
Other financial indicators: 2020							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	355	(4)	641	373	1,422	(78)	2,709
Acquisitions of property, plant and equipment and intangible assets, net of disposals (II)	(114)	(5)	(184)	(283)	(1,633)	(1)	(2,220)
Repayment of lease obligations (III)	(100)	(9)	(99)	(21)	(143)		(372)
FREE CASH FLOW (I) + (II) + (III)	141	(18)	358	69	(354)	(79)	117
CHANGES IN WORKING CAPITAL REQUIREMENTS RELATED TO OPERATING ACTIVITIES, INCLUDING CURRENT IMPAIRMENT AND PROVISIONS							
	252	(6)	313	103	(214)	29	477

Free cash flow was €713 million higher than in 2020.

After stripping out the 5G frequencies acquired in 2020 (including spectrum clearance costs):

- free cash flow was €105 million higher year-on-year, amounting to €830 million in 2021 compared with €725 million in 2020; and
- free cash flow after changes in working capital requirements was €168 million lower year-on-year, amounting to €1,034 million in 2021 compared with €1,202 million in 2020.

Note 18 Financial instruments

The tables below show aggregate notional amounts for each type of financial instrument used as of 31 December 2021, split by residual maturity and by currency.

18.1 Hedging of interest rate risk, foreign exchange risk and commodities risk

18.1.1 Analysis by business segment

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total 31/12/2021	Total 31/12/2020
Forward purchases	544		97	8			649	493
Forward sales	310		6	16			332	344
Currency swaps	20		320			1,302	1,642	1,308
Interest rate swaps ^a		100	142			3,700 ^b	3,942	400
Interest rate options (caps, floors)					800		800	1,200
Commodities derivatives	4		3				7	2
Other			18 ^c				18	18

(a) This amount relates to fixed rates paid.

(b) Relates to the pre-hedging swap contracted in connection with (i) financing the acquisition of Equans for €3bn (see Note 19.3) and (ii) a new €700m bond issue to be carried out in 2023.

(c) Cross-currency swap.

18.1.2 Analysis by maturity and original currency

	Maturity			Total	Original currency						
	< 1 year	1 to 5 years	> 5 years		EUR	USD	GBP	HKD	CHF	AUD	Other
Forward purchases	560	89		649	142	107	6	7	15	259	113
Forward sales	303	29		332	2	31	110	57	85	19	28
Currency swaps	1,642			1,642	9	161	507	179	230	103	453
Interest rate swaps	100	46	3,796	3,942	3,808	86	39				9
Interest rate options (caps, floors)	800			800	800						
Commodities derivatives	7			7	1	2				4	
Other		18 ^a		18							18

(a) Cross-currency swap.

18.2 Market value of hedging instruments

Derivatives recognised as assets	Original currency							Total	Fair value hedge	Cash flow hedge	Hedge of net investment in a foreign operation
	EUR	USD	GBP	HKD	CHF	AUD	Other				
Forward purchases		3				12	2	17		17	
Forward sales											
Currency swaps			5			1	2	8	2	6	
Interest rate swaps	39							39		39	
Interest rate options (caps, floors)											
Commodities derivatives											
Other							1	1		1	
TOTAL ASSETS	39	3	5			13	5	65	2	63	

Derivatives recognised as liabilities	Original currency							Total	Fair value hedge	Cash flow hedge	Hedge of net investment in a foreign operation
	EUR	USD	GBP	HKD	CHF	AUD	Other				
Forward purchases	(4)	(1)						(5)		(5)	
Forward sales		(1)	(2)	(1)	(2)		(1)	(7)		(7)	
Currency swaps					(2)		(2)	(4)	(1)	(3)	
Interest rate swaps	(1)	(2)	(7)					(10)	(7)	(3)	
Interest rate options (caps, floors)											
Commodities derivatives											
Other											
TOTAL LIABILITIES	(5)	(4)	(9)	(1)	(4)		(3)	(26)	(8)	(18)	
TOTAL, NET	34	(1)	(4)	(1)	(4)	13	2	39^a	(6)	45	

(a) The difference from the value shown in the balance sheet is mainly due to the €7m negative market value of the interest rate swap contracted by Colas for the City of Portsmouth contract, which is entirely offset by the €7m positive market value of the derivative embedded in the fixed contractual fee paid by the customer.

In the event of a +1.00% movement in the yield curve, the hedging instruments portfolio would have a positive market value of €341 million; in the event of a -1.00% movement, it would have a negative value of €305 million.

In the event of a +1.00% movement in the exchange rate of the euro against the other currencies, the hedging instruments portfolio would have a positive

market value of €37 million; in the event of a -1.00% movement, it would have a positive market value of €42 million.

These calculations were prepared by the Bouygues group, or obtained from the banks with which the instruments were contracted.

Note 19 Off balance sheet commitments

This note supplements the disclosures provided in Notes 3, 4 and 8 to the consolidated financial statements.

No material off balance sheet commitments have been omitted from this disclosure, in accordance with applicable accounting standards.

19.1 Guarantee commitments

	31/12/2021	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Falling due			31/12/2020
								Less than 1 year	From 1 to 5 years	More than 5 years	
Pledges, mortgages and collateral	65	4		61				18	34	13	71
Guarantees and endorsements given	393	67		296	24		6	233	153	7	339
TOTAL GUARANTEE COMMITMENTS GIVEN	458	71		357	24		6	251	187	20	410
Guarantees and endorsements received	6						6	2	4		8
TOTAL GUARANTEE COMMITMENTS RECEIVED	6						6	2	4		8
NET BALANCE	452	71		357	24			249	183	20	402

In connection with its ordinary activities, the Bouygues group grants multi-year guarantees (such as ten-year building guarantees), which are usually covered by statistically-based provisions on the liabilities side of the balance sheet. Contract guarantees provided by banks to Group customers represent off balance sheet commitments for those banks; where such guarantees are liable to result in payments being made, a provision is recognised by Bouygues in the consolidated balance sheet.

19.2 Miscellaneous contractual commitments

	31/12/2021								Falling due			31/12/2020
		Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Less than 1 year	From 1 to 5 years	More than 5 years		
Image transmission	84				84			24	60		93	
Network	4,254					4,254		357	1,418	2,479	4,782	
Other items	223			121	102			92	48	83	204	
TOTAL SUNDRY CONTRACTUAL COMMITMENTS GIVEN	4,561			121	186	4,254		473	1,526	2,562	5,079	
Image transmission	84				84			24	60		93	
Network	4,254					4,254		357	1,418	2,479	4,782	
Other items	223			121	102			92	48	83	204	
TOTAL SUNDRY CONTRACTUAL COMMITMENTS RECEIVED	4,561			121	186	4,254		473	1,526	2,562	5,079	
NET BALANCE												

“Sundry contractual commitments given” relate to (i) service agreements entered into by Bouygues Telecom with owners of towers (TDF, FPS, PFI and Cellnex) and of data centres (Towerlink), and with FTTH fibre optic suppliers,

and (ii) quarry operating licence contracts entered into by Colas. Those commitments decreased by €518 million during the year, including a net reduction of €528 million at Bouygues Telecom.

19.3 Other commitments

Bouygues Telecom

Licences to use frequencies in the 800 MHz and 700 MHz bands

The 20-year licences to use frequencies in the 800 MHz and 700 MHz bands awarded to Bouygues Telecom in 2012 (800 MHz) and 2015 (700 MHz) are subject to an obligation to open the frequencies to MVNOs, and to roll out coverage of the French population progressively (98% within 12 years, 99.6% within 15 years).

These coverage obligations include a priority roll-out zone defined by Arcep (the French telecoms regulator), to be covered simultaneously by the 700 MHz frequencies (50% by 17 January 2022, 92% by 17 January 2027, 97.7% within 15 years) and the 800 MHz frequencies (90% of the population in less dense areas within 15 years), and an obligation to provide coverage in each French administrative department (90% within 12 years, 95% within 15 years).

The 700 MHz licence includes a new obligation to provide day-to-day coverage of 90% of trains on the French railway network within 15 years.

Licence to use frequencies in the 2600 MHz band

The 20-year licence to use frequencies in the 2600 MHz band awarded to Bouygues Telecom in 2011 is subject to an obligation to open the frequencies to MVNOs, and to roll out coverage of the French population progressively (25% within 4 years, 60% within 8 years, 75% within 12 years).

This coverage obligation may be fulfilled by any other frequencies owned by Bouygues Telecom. At present, it is primarily fulfilled via Bouygues Telecom’s 1800 MHz frequencies that have been reformed to 4G.

Licence to use technologically equivalent frequencies in the 900 MHz, 1800 MHz and 2100 MHz bands

On 12 January 2018, the French government and Arcep (the French telecoms regulator) signed the “New Deal for Mobile” agreement, aimed at extending quality mobile coverage to all French people. The desired objective of digital roll-out across France led to stringent coverage obligations being imposed on the operators, in return for a ten-year renewal of their licences to use frequencies in the 900 MHz, 1800 MHz and 2100 MHz bands.

Given that Bouygues Telecom’s then current licences were due to expire in 2022 (2100 MHz band) and in 2024 (900 MHz and 1800 MHz bands), Arcep (in decision 2018-0680 of 3 July 2018) amended the existing frequency licences to incorporate the new roll-out requirements. Subsequently (in decision 2018-1390 of 15 November 2018), Arcep formally renewed the 900 MHz, 1800 MHz and 2100 MHz licences for a further ten years.

Consequently, Bouygues Telecom now holds licences to use the 900 MHz and 1800 MHz bands until 8 December 2034, and the 2100 MHz band until 11 December 2032. All frequency bands are now technologically equivalent and hence can be used independently for 2G/3G/4G.

Licence to use frequencies in the 3.4-3.8 GHz band (5G)

On 12 November 2020, Arcep issued Bouygues Telecom with a licence to use frequencies in the 3.4-3.8 GHz band in Time Division Duplexing (TDD) mode. The licence was awarded for a 15-year period ending on 17 November 2035, and may be extended to 17 November 2040.

(a) Mobile Virtual Network Operators.

Obligations imposed in return for licences to use frequencies in the 900, 1800 and 2100 MHz bands

The coverage obligations imposed on Bouygues Telecom by the decisions renewing the 900 MHz, 1800 MHz and 2100 MHz licences are as follows:

- participating in the targeted coverage scheme intended to increase coverage in France: 5,000 new zones to be covered, with a maximum of 600 in 2018; 700 in 2019; 800 in 2020, 2021 and 2022; then 600 a year until the 5,000 target is met. Some of the 5,000 zones will be covered by active network-sharing between the four operators, and some by passive network-sharing between two or three operators;
- installing 4G capability across all network sites: 100% of existing sites by 9 April 2021 (deadline extended by three months and one week pursuant to Order No. 2020-306 of 25 March 2020 on the extension of administrative deadlines in light of the Covid-19 crisis), except for sites in the “Town Centre Not Spots” programme, of which 75% were upgraded to 4G by 31 December 2020 with a requirement for 100% to have been upgraded by 31 December 2022;
- achieving good coverage for 99.6% of the French population (excluding non-European territories and dependencies) by 9 December 2027, rising to 99.8% by 9 December 2031;
- covering the strategic road network other than inside vehicles by 9 April 2021 (deadline extended by three months and one week pursuant to Order No. 2020-306 of 25 March 2020 on the extension of administrative deadlines in light of the Covid-19 crisis);
- covering the strategic road network from inside vehicles by 9 October 2025; and
- covering 90% of the regional rail network by 31 December 2025.

Obligations imposed in return for licence to use frequencies in the 3.4-3.8 GHz (5G) bands

The coverage obligations imposed on Bouygues Telecom in return for the licence to use frequencies in the 3.4-3.8 GHz band are as follows:

- rolling out a mobile network using the 3.4-3.8 GHz band in France (excluding non-European territories and dependencies): 3,000 mobile network sites by 31 December 2022, 8,000 by 31 December 2024 (25% of them in less dense areas), and 10,500 by 31 December 2025 (25% of them in less dense areas);
- improving mobile network performance and speed by 31 December 2030: maximum download speed at least 240 mbps at 75% of sites by 31 December 2022, 85% of sites by 31 December 2024, 90% of sites by 31 December 2025 and 100% of sites by 31 December 2030;
- 5G coverage of the entire motorway-grade road network by 31 December 2025, and of the standard road network by 31 December 2027;
- providing a fixed-line offer via the 5G network from 31 December 2023;
- ensuring transparency on site outages and roll-out forecasts;
- providing a commercial differentiated services offer from 31 December 2023;

- providing “vertical” services available to all private-sector businesses regardless of the nature of their business, and to all public-sector organisations;
- providing coverage inside buildings for businesses and public-sector organisations, and granting requests for connections to Distributed Antenna Systems (DAS) by 18 November 2021;
- making the mobile network compatible with Internet Protocol version 6 (IPv6) from 31 December 2020; and
- offering a package to MVNOs.

Not spots

The law of 6 August 2015 on growth, business and equality of economic opportunity required the not spots programme (initially launched in 2004) to be extended to additional municipalities that currently have no coverage in the town or village centre, as well as retaining the requirement to provide coverage in the residual not spots identified in previous laws passed in 2004 and 2008. The law also introduced a new programme aimed at providing coverage in areas with concentrations of businesses, tourist sites and public facilities that currently have no network access. For both these programmes, municipalities are making high ground available to the operators for mast sites.

The four mobile operators signed an agreement in February 2016 under which each will contribute its fair share in providing coverage in residual not spots and extending the original programme. At the third Inter-Ministerial Rural Affairs Committee session of 2016, the mobile operators undertook to expand the existing priority zones programme to 1,300 sites. A new agreement was signed in February 2017.

As of 31 December 2021, the progress made by Bouygues Telecom on its commitments was in compliance with the deadlines stipulated in the law and with the timetable issued by Arcep.

Under the terms of the “New Deal for Mobile”, all municipalities not covered by one or more operators will now be addressed within the targeted coverage scheme.

As regards existing sites covered by the “Town Centre Not Spots” programme, also part of the “New Deal for Mobile” agreement, Bouygues Telecom had extended 4G to 75% of sites by the end of 2020 and has a target of 100% of sites by the end of 2022.

Bouygues SA

On 5 November 2021, the Bouygues and Engie groups signed a purchase agreement under which Bouygues agreed to acquire all of the Equans group for €6.7 billion (see Note 1.2.1).

On 3 December 2021, Bouygues signed a syndicated credit facility agreement to finance €6 billion of the acquisition cost. The facility, provided by sixteen participating banks, expires on the earlier of (i) 24 months after the closing of the acquisition or (ii) 31 March 2025; it is due to be refinanced via a bond issue by 2024.

To protect against adverse movements in interest rates, Bouygues contracted pre-hedging swaps in late 2021 (see Note 18.1) and early 2022.

TF1

On 31 December 2021, TF1 subsidiary Newen signed a new lease that falls within the scope of IFRS 16. The related right of use asset and lease obligation (€29 million) were not recognised in the balance sheet as of 31 December 2021 because the lessor had not made the leased asset effectively available as of that date.

19.4 Contingent assets and liabilities

None.

Note 20 Employee benefit obligations and employee share ownership

20.1 Average headcount

	2021	2020
Managerial staff	25,047	24,376
Clerical, technical & supervisory staff	19,541	19,726
Site workers	21,317	22,281
SUB-TOTAL - HEADCOUNT FRANCE	65,905	66,383
Expatriate staff and local employment contracts	61,399	66,976
TOTAL AVERAGE HEADCOUNT	127,304	133,359

The year-on-year reduction of 6,055 in average headcount related mainly to local contracts in the Asia-Pacific region, in line with trends in worksite activity.

20.2 Employee benefit obligations

	31/12/2020 restated	Movements during 2021	31/12/2021
Lump-sum retirement benefits	527	(8)	519
Long service awards and other benefits	136	(12)	124
Other post-employment benefits (pensions)	205	(39)	166
TOTAL	868	(59)	809

These obligations are covered by non-current provisions (see Note 6.1).

20.3 Employee benefit obligations and pension obligations (post-employment benefits) excluding long-service awards

20.3.1 Defined-contribution plans

	2021	2020
Amount recognised as an expense	(2,014)	(1,834)

This defined-contribution expense consists of contributions to:

- the public health insurance and supplementary health insurance schemes;
- pension funds (compulsory and supplementary schemes); and
- unemployment insurance funds.

20.3.2 Defined-benefit plans

20.3.2.1 Provisions for retirement benefit and pension obligations

	Lump-sum retirement benefits		Pensions		Total	
	31/12/2021	31/12/2020 restated	31/12/2021	31/12/2020	31/12/2021	31/12/2020 restated
Present value of obligation	526	534	1,865	1,749	2,391	2,283
Fair value of plan assets (dedicated funds)	(7)	(7)	(1,893)	(1,603)	(1,900)	(1,610)
Asset ceiling			173	45	173	45
NET LIABILITY RECOGNISED	519	527	145	191	664	718
of which: deficit recognised as a provision	519	527	166	205	685	732
of which: overfunded plans recognised as an asset			(21)	(14)	(21)	(14)
Ratio of plan assets to present value of obligation			x1.02	92%		

The table below shows the split of the fair value of plan assets by investment category:

	2021		2020	
	Total	%	Total	%
Equity instruments	(643)	34	(551)	34
Debt instruments	(647)	34	(591)	37
Property	(327)	17	(242)	15
Investment funds	(93)	5	(67)	4
Cash	(25)	1	(27)	2
Other	(165)	9	(132)	8
TOTAL	(1,900)	100	(1,610)	100

	Lump-sum retirement benefits		Pensions	
	2021	2020 restated	2021	2020
NET LIABILITY RECOGNISED AT 1 JANUARY	527	512	191	195
Current and past service cost	37	38	36	38
Interest cost	3	4	2	2
TOTAL EXPENSE RECOGNISED	40	42	38	40
Benefits paid	(36)	(54)		
Contributions paid			(45)	(47)
Translation adjustments			6	(4)
Changes in scope of consolidation	1		6 ^a	
Actuarial gains and losses recognised in equity	(11)	28	(54)	6
Transfers and other movements	(2)	(1)	3	1
NET LIABILITY RECOGNISED AT 31 DECEMBER	519	527	145	191

(a) Mainly relates to the commitments of Destia Oy (Colas).

The amount of contributions to be paid into pension funds in 2022 is estimated at €59 million.

Actuarial gains and losses break down as follows:

	Lump-sum retirement benefits		Pensions	
	2021	2020 restated	2021	2020
Analysis of actuarial gains/losses recognised in equity				
Effect of changes in demographic assumptions	(7)	(6)	(29)	(99)
Effect of changes in financial assumptions	(21)	12	7	100
Effect of experience adjustments	17	22	(24)	16
Return on plan assets (excluding financial income)			(136)	(50)
Effect of asset ceiling			128	39
TOTAL	(11)	28	(54)	6

20.3.2.2 Analysis by business segment as of 31 December 2021

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Non-current provisions:							
• lump-sum retirement benefits	187	16	184	38	77	17	519
• pensions	70		89			7	166
Provisions recognised as liabilities	257	16	273	38	77	24	685
Overfunded plans recognised as an asset			(21)				(21)
TOTAL	257	16	252	38	77	24	664

20.3.2.3 Analysis by geographical area as of 31 December 2021

	France and overseas departments	European Union	Rest of Europe ^a	Africa	Americas	Asia-Pacific	Middle East	Total
Non-current provisions:								
• lump-sum retirement benefits	512	1		3	2	1		519
• pensions	8	74	81		3			166
Provisions recognised as liabilities	520	75	81	3	5	1		685
Overfunded plans recognised as an asset			(21)					(21)
TOTAL	520	75	60	3	5	1		664

(a) Mainly relates to Switzerland and the United Kingdom.

20.3.2.4 Main actuarial assumptions used to measure lump-sum retirement benefit and pension obligations

	2021	2020
Discount rate for lump-sum retirement benefits ^a	1.01% (iBoxx A10+)	0.60% (iBoxx A10+)
Discount rate for pensions ^a	0.20% to 6.00%	0.15% to 6.00%
Life table	INSEE	INSEE
Retirement age (depending on business segment):		
• Managerial staff	62/65 years	62/65 years
• Clerical, technical & supervisory staff, and site workers	62/65 years	62/65 years
Lump-sum retirement benefits and long-service awards: salary inflation rate ^b	1.30% to 3.60%	1% to 3.80%
Pensions: salary inflation rate ^b	0.50% to 4.00%	0% to 4.00%

(a) See Note 20.3.2.5 for an analysis of sensitivity to interest rates.

(b) Includes general inflation.

20.3.2.5 Sensitivity analysis of actuarial obligation for lump-sum retirement benefits and pensions

The impact of an additional increase or decrease in discount rates in France and internationally on these obligations is presented below:

	Assumption	Increase	Decrease
Lump-sum retirement benefits (France)	50 basis points	(37)	40
Pensions (outside France)	20 basis points	(22)	23

Those impacts would also be recognised in the consolidated statement of recognised income and expense.

20.4 Employee share ownership

Stock options

The total number of effectively exercisable stock options is 2,881,851.

Quoted market price on 31 December 2021: €31.49

Plan grant date	Outstanding options at 31/12/2021	Earliest normal exercise date	Earliest company savings scheme exercise date	Exercise price (€)	Number of effectively exercisable options
28/05/2015	1,936,796	29/05/2017	29/05/2016	37.11	
30/05/2016	1,491,601	31/05/2018	31/05/2017	29.00	1,491,601
01/06/2017	2,222,460	02/06/2019	02/06/2018	37.99	
01/06/2018	2,346,750	02/06/2020	02/06/2019	41.57	
31/05/2019	2,583,816	01/06/2021	01/06/2020	32.59	
08/10/2020	2,780,500	09/10/2022	09/10/2021	30.53	1,390,250
02/06/2021	2,751,500	03/06/2023	03/06/2022	34.16	
TOTAL	16,113,423				2,881,851

Stock options are effectively exercisable if they meet both of the following conditions:

- they must be legally exercisable as of 31 December 2021, either by normal exercise (two or four years after the plan grant date) or by partial exercise ahead of the normal exercise date under the terms of the company savings scheme; and

- they must be in the money as of 31 December 2021, in other words the exercise price must be less than the closing share price on that date (the last quoted price of 2021), i.e. €31.49.

Note 21 Disclosures on related parties and remuneration of directors and senior executives

21.1 Related party information

	Expenses		Income		Receivables		Payables	
	2021	2020	2021	2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Parties with an ownership interest	4	5						1
Joint operations	108	142	461	321	312	318	477	418
Joint ventures and associates	143	113	552	580	301	256	140	72
Other related parties	74	76	174	110	100	81	47	40
TOTAL	329	336	1,187	1,011	713	655	664	531
Maturity								
• less than 1 year					645	596	664	531
• 1 to 5 years					26	23		
• more than 5 years					42	36		
of which impairment of doubtful receivables (mainly non-consolidated companies)					56	57		

Types of related party transaction:

Transactions between the Bouygues group and related parties mainly comprise:

- remuneration and benefits awarded to directors and senior executives;
- commercial and financial transactions with Bouygues group companies, and with entities over which Bouygues exercises joint control or significant influence.

Identity of related parties:

- Parties with an ownership interest: the Bouygues group is accounted for by the equity method in the financial statements of SCDM (a company controlled by Martin and Olivier Bouygues), which provides consultancy services in strategy, development, research and analysis into strategic developments and growth of the Bouygues group, major investments and divestments, and multi-year plans.

- Joint operations: mainly involves transactions with construction project companies.
- Joint ventures and associates: mainly transactions with concession companies and quarry companies. Following the corporate actions involving Alstom in the first half of 2021, Bouygues lost significant influence over Alstom on 2 June 2021 (see Note 1.2.1); the residual equity interest is recognised in “Other non-current financial assets”. With effect from that date, transactions with Alstom are no longer reported as related party transactions.
- Other related parties: mainly involves transactions with non-consolidated companies controlled or jointly controlled by the Group.

21.2 Disclosures about remuneration and benefits paid to directors and senior executives in office on 31 December 2021

Direct remuneration in respect of the 2021 financial year for key executives (members of the Group Management Committee) totalled €26,801,881, comprising basic remuneration of €9,368,089 plus variable remuneration of €17,433,792 linked to 2021 performance, including the expense accrued for long-term remuneration arrangements and benefits paid to key executives on retirement. Remuneration during the year for participating in Board meetings of Bouygues SA and its subsidiaries amounted to €258,972.

Remuneration paid to non-executive directors in respect of directorships held at Bouygues SA and its subsidiaries amounted to €800,888.

Short-term benefits: none.

Post-employment benefits: members of the Group Management Committee are entitled to benefits under a vested-rights pension scheme, governed by Article L. 137-11-2 of the Social Security Code, which is contracted out to an insurance company. In 2021, the obligation in respect of members in post as of 31 December 2021 increased by €8,247,579 as a result of (i) the transfer of the 2020 obligation from a previous contingent-rights pension scheme governed by Article L. 137-11 of the Social Security Code to the new vested-rights scheme governed by Article L. 137-11-2 of the Social Security Code and (ii) the vesting of new rights during 2021. In the year ended 31 December 2021, €2,847,557 was paid to the insurance company, with the balance accrued by means of a provision.

Long-term benefits: none.

Lump-sum retirement and termination benefits: The provision was increased by a net amount of €3,220,434 during 2021 for members of the Group Management Committee.

Stock option plan: 290,000 stock options were awarded to members of the Group Management Committee on 2 June 2021, at an exercise price of €34.157 each. The earliest exercise date is 3 June 2023, and the expense recognised in 2020 was €294,827.

Note 22 Additional cash flow statement information and changes in working capital related to operating activities

22.1 Cash flows of acquired and divested subsidiaries

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total 31/12/2021
Non-current assets	(5)	(8)	(306)	18		984	683
Current assets	(6)	(24)	(145)				(175)
Non-current liabilities	3		32	(13)	(54)		(32)
Current liabilities	9	17	153				179
Cash	(10)	1	24	(5)	(1)		9
PURCHASE PRICE OF CONSOLIDATED ACTIVITIES NET OF DISPOSALS	(9)	(14)	(242)		(55)	984	664
Cash of acquired or divested companies		(1)	28	(4)	1	(1)	23
Net liabilities related to consolidated activities		8	4	8	54		74
NET CASH INFLOW/(OUTFLOW) FROM ACQUISITIONS AND DIVESTMENTS OF SUBSIDIARIES	(9)	(7)	(210)	4		983	761

Acquisitions and divestments during the period generated a net cash inflow of €761 million, and mainly comprised:

- Bouygues Construction: acquisition of Sea Productive;
- Colas: acquisition of Destia Oy;

- TF1: acquisition of iZen and divestments of Dujardin, Gofeminil, Alfemminile and Livingly Media; and
- Bouygues SA: partial divestments of equity interests (6.19%) in Alstom, net of costs (see Note 1.2.1).

22.2 Changes in working capital requirements related to operating activities

Changes in working capital include changes in current provisions recognised in the balance sheet.

	2021	2020
Assets		
Inventories/Programmes/Broadcasting rights	70	356
Advances and down-payments made on orders	51	33
Trade receivables	115	352
Customer contract assets	(399)	(66)
Other current receivables and current financial assets	(181)	(113)
SUB-TOTAL	(344)	562
Liabilities		
Trade payables	243	(130)
Customer contract liabilities	98	(18)
Current provisions	49	135
Other current liabilities and current financial liabilities	158	(72)
SUB-TOTAL	548	(85)
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES *	204	477

(a) For both assets and liabilities: decreases/(increases) in working capital related to operating activities.

Note 23 Auditors' fees

The table below shows fees paid to the auditors (and member firms of their networks) responsible for the audit of the consolidated financial statements of Bouygues and consolidated companies, as expensed through the income statement in 2021 (in thousands of euros).

	2021				2020			
	Mazars network		EY network		Mazars network		EY network	
	Amount (excl. VAT)	%	Amount (excl. VAT)	%	Amount (excl. VAT)	%	Amount (excl. VAT)	%
A - Audit	(9,400)	97	(5,549)	92	(9,108)	98	(6,394)	90
• Bouygues SA	(244)		(244)		(243)		(243)	
• Consolidated subsidiaries	(9,156)		(5,305)		(8,865)		(6,151)	
B - Non-audit services	(266)	3	(514)	8	(192)	2	(744)	10
TOTAL	(9,666)	100	(6,063)	100	(9,300)	100	(7,138)	100

Non-audit services as shown in the table above mainly comprise assurance or agreed-upon procedure engagements relating to financial data, and procedures performed in connection with the statement on non-financial performance and acquisition audits.

The total amount of fees paid to audit firms that do not belong to the network of either of the firms that audit the financial statements of Bouygues SA was €4,072 thousand in respect of the 2021 financial year and €3,800 thousand in respect of the 2020 financial year (mainly PwC for Colas).

Note 24 List of principal consolidated companies at 31 December 2021

Company	City/Country	% interest		% direct and indirect control ^a	
		2021	2020	2021	2020
FRANCE					
Companies controlled by Bouygues					
<i>Construction and services</i>					
Bouygues Construction SA	Saint-Quentin-en-Yvelines	100.00	99.97		
Bouygues Bâtiment Ile-de-France SA	Saint-Quentin-en-Yvelines	100.00	99.97		
Bouygues Bâtiment International SA	Saint-Quentin-en-Yvelines	100.00	99.97		
Bouygues TP SA	Saint-Quentin-en-Yvelines	100.00	99.97		
BYTP Régions France SA	Balma	100.00	99.97		
Brézillon SA	Margny-lès-Compiègne	100.00	99.32		
Challenger SNC	Saint-Quentin-en-Yvelines	100.00	99.97		
DTP SAS	Saint-Quentin-en-Yvelines	100.00	99.97		
Linkcity Centre Sud-Ouest (formerly Bouygues Bâtiment Centre Sud-Ouest)	Lormont	100.00	99.97		
Bouygues Energies & Services SAS	Saint-Quentin-en-Yvelines	100.00	99.97		
Bouygues E&S FM France	Saint-Quentin-en-Yvelines	100.00	99.97		
Bouygues Bâtiment Sud-Est	Lyon	100.00	99.97		
Bouygues Bâtiment Grand Ouest	Nantes	100.00	99.97		
Bouygues Construction Central Europe	Saint-Quentin-en-Yvelines	100.00	99.97		
Bouygues Bâtiment Nord-Est	Villeneuve d'Ascq	100.00	99.97		
Linkcity IDF	Saint-Quentin-en-Yvelines	99.99	99.96		
Bouygues Bâtiment IDF PPP SA	Saint-Quentin-en-Yvelines	100.00	99.97		
Linkcity Sud-Est	Lyon	100.00	99.97		
<i>Property</i>					
Bouygues Immobilier SAS	Issy-les-Moulineaux	100.00	100.00		
SCCV Lavoisier	Issy-les-Moulineaux	100.00	100.00		
SLC SA	Lyon	100.00	100.00		
Urbis Réalisations SA	Toulouse	100.00	100.00		
<i>Transport infrastructure</i>					
Colas SA and its regional subsidiaries	Paris	96.85	96.87		
Aximum and its subsidiaries	Magny-les-Hameaux	96.85	96.87	100.00	100.00
Colas Rail and its subsidiaries	Courbevoie	96.85	96.87	100.00	100.00
Grands Travaux Océan Indien (GTOI) SA	Le Port (Reunion Island)	96.85	96.87	100.00	100.00
Spac and its subsidiaries	Nanterre	96.85	96.87	100.00	100.00
<i>Media</i>					
Télévision Française 1 SA	Boulogne-Billancourt	43.68	43.70		
Aufeminin and its subsidiaries	Paris	43.68	43.70	100.00	100.00
Dujardin and its subsidiaries	Cestas	Divested	43.70		100.00
E-TF1	Boulogne-Billancourt	43.68	43.70	100.00	100.00
TF1 Séries Films	Boulogne-Billancourt	43.68	43.70	100.00	100.00
La Chaîne Info	Boulogne-Billancourt	43.68	43.70	100.00	100.00
Newen and its subsidiaries	Paris	43.68	43.70	100.00	100.00
TFX	Boulogne-Billancourt	43.68	43.70	100.00	100.00
Télé Monte Carlo (TMC)	Monaco	43.68	43.70	100.00	100.00
TF1 Studios	Boulogne-Billancourt	43.68	43.70	100.00	100.00
TF1 Business Solutions	Boulogne-Billancourt	43.68	43.70	100.00	100.00
TF1 Publicité	Boulogne-Billancourt	43.68	43.70	100.00	100.00
TF1 Vidéo	Boulogne-Billancourt	Merged	43.70		100.00

Company	City/Country	% interest		% direct and indirect control ^a	
		2021	2020	2021	2020
Telecoms					
Bouygues Telecom SA and its subsidiaries	Paris	90.53	90.53		
Bouygues Telecom Business – Distribution BTBD (formerly EIT)	Paris	90.53	90.53	100.00	100.00
Other subsidiaries					
Bouygues Relais SNC	Paris	100.00	100.00		
GIE 32 Hoche	Paris	90.00	90.00		

(a) Where percentage control differs from percentage interest.

Company	City/Country	% interest		% direct and indirect control ^a	
		2021	2020	2021	2020
Joint operations					
Construction and services					
Evesa	Paris	47.53 ^b	47.52		
Oc'via Construction	Nîmes	73.21 ^c	73.22		
Joint ventures and associates					
Construction and services					
Consortium Stade de France SA	Saint-Denis	33.33	33.32		
Axione	Malakoff	51.00	50.98		
Property					
SAS NDH	Issy-les-Moulineaux	50.00	50.00		
Associates					
Telecoms					
Société de Développement pour l'Accès à l'Infrastructure Fibre (SDAIF)	Malakoff	44.36	44.36	49.00	49.00
Other subsidiaries					
Alstom	Saint-Ouen	Divested	7.99		
INTERNATIONAL					
Companies controlled by Bouygues					
Construction and services					
Americaribe LLC	Miami/United States	100.00	99.97		
AW Edwards Pty and its subsidiaries	Northbridge, NSW/Australia	100.00	99.97		
Bouygues Construction Australia Pty	Sydney/Australia	100.00	99.97		
Bouygues Development Ltd	London/United Kingdom	100.00	99.97		
Bouygues Thai Ltd	Bangkok/Thailand	49.00	48.99		
Bouygues UK Ltd	London/United Kingdom	100.00	99.97		
Bouygues E&S Intec AG (Alpiq Engineering Services)	Oltén/Switzerland	100.00	99.97		
Kraftanlagen München GmbH (Alpiq Engineering Services)	Munich/Germany	100.00	99.97		
Bymaro	Casablanca/Morocco	99.99	99.96		
Dragages et TP (Hong-Kong) Ltd	Hong Kong/China	100.00	99.97		
BYME Engineering (Hong-Kong)	Hong Kong/China	90.00	89.97		
DTP Singapore Pte Ltd	Singapore	100.00	99.97		
Bouygues E&S Contracting UK	Holytown/Scotland	100.00	99.97		
Bouygues E&S FM UK	London/United Kingdom	100.00	99.97		
Karmar SA	Warsaw/Poland	100.00	99.97		
Bouygues E&S Schweiz	Zurich/Switzerland	100.00	99.97		
Losinger Marazzi AG	Bern/Switzerland	100.00	99.97		
Losinger Holding AG	Lucerne/Switzerland	100.00	99.97		
Plan Group Inc. and its subsidiaries	Vaughan/Canada	100.00	99.97		
VCES Holding company SRO and its subsidiaries	Prague/Czech Republic	100.00	99.97		
VSL International Ltd	Bern/Switzerland	100.00	99.97		

Company	City/Country	% interest		% direct and indirect control ^a	
		2021	2020	2021	2020
Property					
Bouygues Immobilier Polska Sarl	Warsaw/Poland	100.00	100.00		
Transport infrastructure					
Colas Australia Group and its subsidiaries	Sydney/Australia	96.85	96.87	100.00	100.00
Colas Belgium and its subsidiaries	Brussels/Belgium	96.85	96.87	100.00	100.00
Colas Canada Inc. and its subsidiaries	Toronto, Ontario/Canada	96.85	96.87	100.00	100.00
Colas CZ	Prague/Czech Republic	95.98	96.00	99.10	99.10
Colas Danmark A/S and its subsidiaries	Glostrup/Denmark	96.85	96.87	100.00	100.00
Colas Hungaria and its subsidiaries	Budapest/Hungary	96.85	96.87	100.00	100.00
Colas Inc. and its subsidiaries	Morristown, New Jersey/United States	96.85	96.87	100.00	100.00
Colas Ltd and its subsidiaries	Rowfant, Crawley/United Kingdom	96.85	96.87	100.00	100.00
Colas du Maroc and its subsidiaries	Casablanca/Morocco	96.85	96.87	100.00	100.00
Colas Suisse Holding SA and its subsidiaries	Lausanne/Switzerland	96.09	96.11	99.22	99.22
Colas Slovakia	Kosice/Slovakia	96.46	96.48	99.60	99.60
Destia Oy and its subsidiaries	Helsinki/Finland	96.85		100.00	
Media					
iZen and its subsidiaries	Madrid/Spain	34.94		80.00	
Other subsidiaries					
Challenger Réassurance	Luxembourg	99.99	99.99		
Uniservice	Geneva/Switzerland	99.99	99.99		
Joint ventures and associates					
Construction and services					
Bina Fincom	Zagreb/Croatia	50.70	50.68		
Transport infrastructure					
Gamma Materials	Beau Bassin/Mauritius	48.43	48.44	50.00	50.00
Mak Mecsek zrt	Budapest/Hungary	29.05	29.06	30.00	30.00
Tipco Asphalt	Bangkok/Thailand	30.12	30.13	31.10	31.10

(a) Where percentage control differs from percentage interest.

(b) 33.00% Bouygues Construction, 15.00% Colas.

(c) 49.00% Bouygues Construction, 25.00% Colas Rail.

In accordance with ANC recommendation 2016-01 of 2 December 2016, a full list of companies included in the consolidation is available from Armelle Gary, Investor Relations Director.

6.2 AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Annual General Meeting of the shareholders of Bouygues,

Opinion

In accordance with the assignment entrusted to us by your Annual General Meetings, we have conducted our audit of the accompanying consolidated financial statements of Bouygues for the year ended 31 December 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group

as at 31 December 2021, and of the results of its operations for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

The opinion expressed above is consistent with the contents of our report to the Audit Committee.

Basis for our opinion

Auditing standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are described in the section "Auditors' responsibilities for the audit of the consolidated financial statements" below.

Independence

We conducted our audit engagement in compliance with the rules on independence contained in the Commercial Code and in the code of ethics of the auditing profession during the period from 1 January 2021 to the date of issuance of this report. Specifically, we provided no services prohibited by Article 5, Paragraph 1 of Regulation (EU) No. 537/2014.

Emphasis of matter

Without modifying the opinion expressed above, we draw to your attention Note 2.2 to the consolidated financial statements, which describes the

impact of the first-time application of the IFRS IC agenda decisions relating to IAS 19.

Justification of our assessments – Key audit matters

The global crisis caused by the Covid-19 pandemic created challenging conditions for the preparation and audit of this year's financial statements. The crisis – and the unprecedented public health measures taken in response – had multiple consequences for businesses, especially on their operations and finances, and also created increased uncertainty about their future prospects. Some of those measures, such as travel restrictions and teleworking, also had an impact on internal organisation within companies and on the arrangements for conducting audits.

It is in this complex and evolving context that, pursuant to Articles L. 823-9 and R. 823-7 of the Commercial Code regarding the justification of our

assessments, we draw your attention to key audit matters that relate to those risks of material misstatement that in our professional judgment were of the most significance in the audit of the consolidated financial statements for the year, and our response to those risks.

Our assessments should be seen in the context of the audit of the consolidated financial statements taken as a whole, and of the formation of our opinion as expressed above. We do not express an opinion on elements of the consolidated financial statements taken in isolation.

Measurement of goodwill

Identified risk

As shown in the consolidated balance sheet as of 31 December 2021, the Group's assets include non-current assets, and in particular €7.4 billion of goodwill

Note 2.7.5 to the consolidated financial statements explains how the Group accounts for impairment of non-current assets:

- Impairment tests are carried out on the carrying amount of goodwill if there is objective evidence that it may have become impaired.
- The carrying amounts of indefinite-lived intangible assets and goodwill are compared to their recoverable amounts at least once a year.
- Those recoverable amounts are determined using the methods described in Note 2.7.5.1, and may incorporate the estimates and assumptions described in Note 3.2.4, including for example cash flow projections derived from three-year business plans, discount rates and a perpetual growth rate.

We identified the measurement of goodwill as a key audit matter, insofar as it is sensitive to the estimates and assumptions used by management and hence can have a material effect on the financial statements.

Our response

Our principal procedures are summarised below:

- We examined the accounting policies and methods used, to ensure that they are compliant and consistently applied.
- We familiarised ourselves with documentation supplied by management in relation to impairment testing, and assessed its compliance with current accounting standards.
- We analysed the assumptions used by the Group in calculating recoverable amounts (including an examination of the business plans, and of the consistency of the assumptions and calculation parameters used).
- We performed our own analyses of sensitivity to changes in the calculation parameters.
- We checked the disclosures provided in the notes to the consolidated financial statements, and in particular that Note 3.2.4.2 provides appropriate disclosures about analyses of the sensitivity of the recoverable amount of goodwill to changes in the key parameters used.

Accounting for construction contracts

Identified risk

A significant portion of the Group's revenue is derived from construction contracts.

Note 2.13.1 to the consolidated financial statements explains how construction contracts are accounted for.

- Revenue from construction activities corresponds to the latest estimate of the total selling price, and takes account of claims that have been accepted by the customer or are highly probable. Such revenue is recognised at the end of each period using the percentage of completion method, with the rate of completion determined by reference to progress of the works (output method) or to the cost of completed works (input method).
- For property development activities, revenues and profits are recognised using the percentage of completion method once certain conditions have been met (building permit with no appeal, signature of notarised deed of sale or development contract with the client, construction contract signed with the contractor). The percentage of completion represents costs recognised to date (including land-related costs) as a proportion of the total estimated final cost of the project, taking account of the progress towards legal completion of the sale in the case of property sales.

The same note explains how the Bouygues group determines provisions for losses to completion on construction contracts. The loss is provided for in full as soon as it can be reliably measured, irrespective of the completion rate on the contract.

Consequently, we identified accounting for construction contracts as a key audit matter, insofar as the recognition of revenues and profits on such contracts is sensitive to management judgment and estimates and hence can have a material impact on the financial statements.

Our response

Our principal procedures are summarised below:

- We assessed the control environment relating to procedures and to any dedicated IT systems used by the most material subsidiaries to support the formation of construction contract revenue and monitor the corresponding expenditure.
- For activities involving low-value, low-risk contracts, we analysed the portfolio of contracts via an examination of material variances.
- For a sample of contracts (selected on the basis of our assessment of the risks incurred, the materiality of the contract and the level of complexity):
 - we assessed the assumptions and estimates used to support the financial statements by reference to the available documentation (such as contracts and contract amendments, and budget tracking reports);
 - we physically inspected the highest-risk and highest-contributing worksites in order to assess the state of completion relative to the management data provided, and to analyse the issues through discussions with on-site staff.
- We obtained assurance that the manner in which claims are taken into account when estimating revenue to completion was consistent with the IFRS 15 criteria, especially as regards the "highly probable" test, and analysed correspondence between the Group and the customer, management information supporting the position adopted by the Group, and the Group's past experience in settling claims.
- We made an overall assessment of the estimates and assumptions supporting the recognition of revenue and of any provisions for losses to completion, based on our experience and on actual outcomes.

Provisions for litigation and claims

Identified risk

Provisions for litigation and claims are included within non-current provisions in the consolidated balance sheet, and presented in Note 6.1 to the consolidated financial statements.

- As indicated in Notes 2.11.3 and 6.1, the amount recognised within non-current provisions must be the Group's best estimate of the net outflow of resources.
- Those notes describe the nature of the provisions intended to cover litigation and claims.

We identified this as a key audit matter, insofar as the amount of provisions for litigation and claims is sensitive to the estimates and assumptions used by the Group and hence can have a material impact on the financial statements.

Our response

Our principal procedures are summarised below:

- We examined the accounting policies and methods used, to ensure that they are compliant and consistently applied.
- We obtained an understanding of the procedures applied at business segment level to identify, document, validate and monitor non-current provisions.
- We evaluated the design and implementation of key controls used in the Group's most material subsidiaries, in order to test those procedures (manual controls).
- For a selection of risks we regarded as complex and material, we examined the soundness and underlying assumptions of the measurement of the risk and the amount of the year-end provision, including inter alia:
 - an examination of documentation and correspondence with third parties, against which we tested management estimates;
 - an examination of any relevant legal letters and written opinions from the Group's external counsel;
 - interviews with appropriate managerial staff.
- We spoke directly with the Group's external advisers to obtain detailed information on ongoing material litigation, and in particular any associated claims, in order for us to assess the adequacy of the provisions recognised.
- We checked the disclosures in the notes to the consolidated financial statements and in the management report about the amount of non-current provisions, and about the principal claims and litigation involving the Group.

Specific verifications

As required by law and regulations we also carried out, in accordance with professional standards applicable in France, the specific verifications relating to information about the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We hereby attest that the consolidated statement of non-financial performance required pursuant to Article L. 225-102-1 of the Commercial Code is included in the management report, with the caveat that in accordance with Article L. 823-10 of that Code, we have not verified the fair presentation or consistency with the consolidated financial statements of the information contained in the statement of non-financial performance, which is covered by a report issued by an independent third party.

Other verifications or information required under legal or regulatory obligations

Presentation format for consolidated financial statements intended for inclusion in the annual financial report

We also verified, in accordance with professional standards relating to audit procedures in respect of parent company and consolidated financial statements presented in the European single electronic reporting format, the compliance with that format (as defined in European Delegated Regulation 2019/815 of 17 December 2018) of the presentation of the consolidated financial statements intended for inclusion in the annual financial report mentioned in paragraph I of Article 451-1-2 of the Monetary and Financial Code and prepared under the responsibility of the Chief Executive Officer. Because these are consolidated financial statements, our procedures included verifying that the markup of the

financial statements complies with the format defined in the aforementioned regulation.

Based on our procedures, we conclude that the presentation of the consolidated financial statements intended for inclusion in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to verify that the consolidated financial statements actually included by your company in the annual financial report filed with the AMF correspond to those on which we performed our procedures.

Appointment as auditors

We were appointed as auditors of Bouygues by your Annual General Meetings of 10 June 1998 (Mazars) and of 24 April 2003 (Ernst & Young Audit).

As of 31 December 2021, Mazars was in its twenty-fourth uninterrupted year as auditor, and Ernst & Young Audit in its nineteenth.

Responsibilities of management, and of those charged with governance, for the consolidated financial statements

It is the responsibility of management to prepare consolidated financial statements that give a true and fair view in accordance with IFRS as endorsed by the European Union, and to implement such internal control as it determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern; to disclose in those financial statements any matters relating to

going concern; and to apply the going concern basis of accounting unless it is intended to liquidate the company or cease trading.

It is the responsibility of the Audit Committee to oversee the process for the preparation of financial information and the effectiveness of internal control and risk management systems, and of internal audit, as regards procedures for preparing and processing accounting and financial information.

The consolidated financial statements have been closed off by the Board of Directors.

Auditors' responsibilities for the audit of the consolidated financial statements

Objective and audit approach

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could be reasonably expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the Commercial Code, our audit does not involve guaranteeing the viability of the company or the quality of how it is managed.

As part of an audit in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout the audit. In addition, the auditor:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but

not for the purpose of expressing an opinion on the effectiveness of internal control;

- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. Those conclusions are based on the audit evidence obtained up to the date of the auditor's report, with the caveat that future events or conditions may cause a company to cease to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or disclaimer;
- evaluates the overall presentation of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view of them;
- obtains what the auditor considers sufficient appropriate audit evidence regarding the financial information of the entities within the scope of consolidation to express an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements, and for the opinion expressed on those financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee that describes inter alia the scope of our audit, the work programme followed, and our findings. We also inform the Audit Committee of any significant deficiencies in internal control we identified as regards the procedures used for the preparation and processing of accounting and financial information.

The information contained in our report to the Audit Committee includes those risks of material misstatement that we determined were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters that we are required to describe in the present report.

We also provide the Audit Committee with written confirmation (as required under Article 6 of Regulation (EU) No. 537-2014) of our independence, within the meaning of the rules applicable in France and contained inter alia in Articles L. 822-10 to L. 822-14 of the Commercial Code and in the code of ethics of the French auditing profession. Where applicable, we also communicate with the Audit Committee about risks to our independence, and related safeguards.

Paris-La Défense, 23 February 2022
The Statutory Auditors

MAZARS
Gilles Rainaut

ERNST & YOUNG Audit
Nicolas Pfeuty

6.3 Parent company financial statements (French GAAP)

6.3.1 Balance sheet

Assets (€ million)	31/12/2021 Gross	31/12/2021 Depreciation, amortisation & impairment	31/12/2021 Net	31/12/2020 Net
Intangible assets	8	7	1	2
Property, plant and equipment				
Long-term investments				
• Holdings in subsidiaries and affiliates	9,434	87	9,347	9,685
• Loans and advances to subsidiaries and affiliates				
• Other	112		112	22
NON-CURRENT ASSETS	9,554	94	9,460	9,709
Inventories and work in progress				
Advances and down-payments made on orders				
Trade receivables	52		52	28
Other receivables	120	2	118	192
Short-term investments	444		444	216
Cash and cash equivalents	4,529		4,529	2,252
CURRENT ASSETS	5,145	2	5,143	2,688
Other assets	93		93	105
TOTAL ASSETS	14,792	96	14,696	12,502

Liabilities (€ million)	31/12/2021	31/12/2020
Share capital	383	381
Share premium and reserves	3,251	3,199
Retained earnings	2,497	2,447
Net profit/(loss)	550	698
Restricted provisions		1
SHAREHOLDERS' EQUITY	6,681	6,726
Provisions	71	41
Debt	4,780	4,023
Advances and down-payments received on orders		
Trade payables	54	28
Other payables	68	93
LIABILITIES	4,973	4,185
Overdrafts and short-term bank borrowings	3,031	1,591
Other liabilities	11	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	14,696	12,502

6.3.2 Income statement

(€ million)	Full year	
	2021	2020
SALES	101	74
Other operating revenues	5	6
Purchases and changes in inventory		
Taxes other than income tax	(3)	(3)
Personnel costs	(70)	(60)
Other operating expenses	(77)	(55)
Depreciation, amortisation, impairment and provisions, net	(30)	4
OPERATING PROFIT/(LOSS)	(74)	(34)
Financial income and expenses	418	657
PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	344	623
Exceptional items	121	7
Statutory and voluntary profit-sharing	(1)	(1)
Income tax	86	69
NET PROFIT/(LOSS)	550	698

6.3.3 Cash flow statement

(€ million)	Full year	
	2021	2020
A – Operating activities		
Net profit/(loss)	550	698
Amortisation, depreciation and impairment of assets, net	28	23
Charges to/(reversals of) provisions, net	31	(5)
Deferred expenses, deferred income and accrued income	6	(64)
Gains and losses on disposals of non-current assets	(120)	(6)
Cash flow after income from net surplus cash/(cost of net debt) and income tax	495	646
Current assets	50	86
Current liabilities		(56)
Change in working capital	50	30
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	545	676
B – Investing activities		
Acquisitions of intangible assets and property, plant and equipment		
Acquisitions and long-term investments	(554)	(603)
Increases in non-current assets	(554)	(603)
Disposals of non-current assets	998	506
Investments, net	444	(97)
Other long-term investments, net	(87)	
Amounts receivable/payable in respect of non-current assets, net		
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	357	(97)
C – Financing activities		
Change in shareholders' equity	53	22
Dividends paid	(647)	(647)
Change in debt	757	29
Other cash flows from financing activities		15
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	163	(581)
CHANGE IN NET CASH POSITION (A + B + C)	1,065	(2)
NET CASH POSITION AT START OF PERIOD	877	879
Other non-monetary flows		
Net cash flows	1,065	(2)
CASH POSITION AT END OF PERIOD	1,942	877

6.3.4 Notes to the parent company financial statements

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Note 1 Significant events of the year

1.1 Holdings in subsidiaries and affiliates

1.1.1 Colas

On 20 October 2021, Bouygues bought 465 Colas shares for €0.1 million.

1.1.2 Bouygues Construction

On 9 December 2020, Bouygues SA launched a public tender offer for the shares of Bouygues Construction, followed by a compulsory squeeze-out procedure.

The offer was part of a process of simplifying the ownership structure of Bouygues Construction by buying out the residual minority interests in the company, while offering minority shareholders an opportunity to cash in their Bouygues Construction shares immediately and in full at an attractive price.

As a result, Bouygues SA acquired 430 Bouygues Construction shares between 18 and 26 February 2021, for a total of €2.19 million.

On completion of the procedure, Bouygues SA and SFPG owned the entire share capital of Bouygues Construction.

1.1.3 Bouygues Telecom

On 26 November 2021, the shareholders decided to carry out a cash rights issue of €600 million via the issuance of 7,185,628 new shares with a par value of €83.50.

Bouygues SA paid out its €540.98 million share on 15 December 2021.

1.2 Alstom

1.2.1 Sale of 12 million Alstom shares

On 12 March 2021, Bouygues sold 12 million Alstom shares (representing approximately 6.35% of the share capital) at a price of €41.65 per share, through an accelerated book building reserved for institutional investors under a private placement agreed on 9 March 2021. The sale raised a total of €499.8 million and generated a net capital gain of €42.24 million, which was recognised as an exceptional item.

On completion of the placement, Bouygues retained a 3.12% equity interest in Alstom.

Bouygues made an undertaking to the banks in charge of the placement to retain the remainder of its equity interest in Alstom for a period of 60 days from the settlement date of the placement (i.e. 9 March 2021), subject to the customary exceptions.

1.2.2 Sale of 11 million Alstom shares

On 4 June 2021, Bouygues sold 11 million Alstom shares at a price of €45.35 per share through an accelerated book building reserved for institutional investors under a private placement agreed on 1 June 2021. The sale raised a total of €498.85 million and generated a net capital gain of €79.44 million, which was recognised as an exceptional item.

As of 31 December 2021, Bouygues held a 0.16% equity interest in Alstom, at an average gross unit price of €37.97 per share.

1.3 Own shares

Bouygues acquired 2,570,000 of its own shares during 2021, for a total of €87.5 million.

1.4 Bond issues

1.4.1 November 2021 bond issue

Bouygues carried out an €800-million bond issue on 3 November 2021, at an interest rate of 0.5% and with an issue premium of 99.773%. The issue will be redeemed in full at par on 11 February 2030.

1.5 Pre-hedging swaps

A bond pre-hedging swap campaign was initiated in July 2021. As of 31 December 2021, there were 44 swaps in the portfolio, amounting to a total of €3,700 million (see Note 13).

1.6 Proposed merger of TF1 and M6

On 17 May 2021, the TF1 and M6 groups announced that they had entered into negotiations with a view to a merger that would create a major French media group by the end of 2022, subject to clearance from all the relevant regulatory authorities.

On 8 July 2021, the Bouygues group and RTL Group (of the one part) and TF1 and M6 (of the other part) announced the signature of agreements between the parties relating to the merger of the TF1 and M6 groups, following unanimous approval of the proposal by the employee representative bodies of Bouygues, TF1 and M6 on 24 June 2021.

On completion of the merger, Bouygues would hold a 30% equity interest in the new group.

1.7 Proposed acquisition of Equans

On 6 September 2021, Bouygues announced that it had submitted a non-binding offer to Engie to acquire Equans, as part of Bouygues' strategy of creating a major player in multi-technical services within the Group.

As announced at the time of its first-half 2021 results release, Bouygues will not require a capital increase to finance this acquisition.

The Bouygues offer was one of five selected by Equans in September to proceed to the second phase of the sale process.

On 2 November 2021, Bouygues submitted a new and binding offer.

On 5 November 2021, the Bouygues and Engie groups signed a purchase agreement under which Bouygues agreed to acquire all of the Equans group, based on an enterprise value of €6.7 billion. The deal had already received a favourable opinion from the relevant employee representative bodies within the Bouygues group (Bouygues SA, Bouygues Construction and Bouygues Energies & Services, and the Bouygues European Works Council). The process of informing and consulting the employee representative bodies of Engie and Equans is ongoing in accordance with current legislation. Completion of the deal is subject to finalisation of the scope of the Equans group and the customary suspensive conditions.

Final completion of the deal is expected in the second half of 2022.

1.8 Covid-19

1.8.1 Non-deferral of tax and social security payments

Bouygues decided not to alter the timing of its tax and social security payments, and hence not to defer the related cash outflows.

1.9 Significant events subsequent to 31 December 2021

None.

Note 2 Accounting policies

The financial statements have been prepared in accordance with the current provisions of French law.

2.1 Change of accounting policy

In accordance with the IFRS IC decision of December 2020 and the ANC decision of 5 November 2021, lump-sum retirement benefit obligations are now recognised on a straight-line basis only over the period immediately preceding retirement age that enables employees to reach the retirement benefit cap, rather than over the employee's entire period of service as was previously the case.

The impact of this change of accounting policy is €0.7 million, reflected as of 1 January 2021 by a reduction of that amount in the provision for lump-sum retirement benefits with the opposite entry taken to retained earnings. That impact is reflected in the financial statements as of 31 December 2021.

2.2 Intangible assets

Expenditure on intangible assets is recognised in accordance with the historical cost convention.

As a general principle, software acquired from third parties is recognised as an intangible asset and amortised on a straight-line basis over periods of up to five years. Some specific large-scale information systems projects are amortised over a period of up to ten years.

2.3 Property, plant and equipment

Property, plant and equipment is recognised at acquisition cost net of reclaimable taxes. Transaction costs that do not form part of the market value of the acquired asset are expensed as incurred.

Depreciation is calculated on a straight-line basis, according to the nature and estimated useful life of each asset component.

2.4 Long-term investments

2.4.1 Holdings in subsidiaries and affiliates and other long-term investment securities

Holdings in subsidiaries and affiliates and other long-term investment securities are recognised at cost, including directly attributable acquisition costs.

They are also measured at value in use, determined using objective criteria, forecast data, or any other information indicative of the actual value of the asset.

If value in use is less than cost, a provision for impairment is recorded to cover the difference.

2.4.2 Long-term receivables

Long-term receivables are shown in the balance sheet at face value. If the realisable value (taking into account the probability of recovery) is less than the carrying amount, a provision for impairment is recorded to cover the difference.

2.5 Receivables and payables expressed in foreign currencies

Receivables and payables expressed in foreign currencies are translated at the exchange rate prevailing at the end of the reporting period.

Unrealised foreign exchange gains and losses are taken to suspense accounts in the balance sheet; unrealised losses are covered by a provision.

2.6 Short-term investments

The short-term investment portfolio is measured in accordance with French accounting standards.

The realisable value of unlisted securities (equities, negotiable debt instruments, and money-market mutual funds) was determined by reference to the latest estimate as at 31 December 2021. In the case of quoted securities, the average quoted stock market price over the last month of the financial year is used.

2.7 Other assets

Deferred charges mainly comprise the portion of bond issue costs not covered by the issue premium. In the case of convertible bonds, any unamortised issue costs relating to bonds converted into shares are offset against the share premium on the newly-issued shares.

Bond redemption premium relates to bond issues priced at the following percentages of nominal value: 98.662% (October 2006 issue), 99.66% (February 2012 issue), 99.681% (October 2012 issue), 99.046% (December 2016 issue), 99.277% (April 2020 issue), and 99.773% (November 2021 issue).

2.8 Provisions

These mainly comprise:

- provisions for miscellaneous risks (including tax inspections) and provisions for additional risks relating to loss-making subsidiaries, established where the negative net assets of a subsidiary are not wholly covered by provisions for impairment of Bouygues SA's investment in and loans and/or advances to that subsidiary; and
- provisions for charges, including employee benefits: bonuses, lump-sum retirement benefits, long-service awards, etc.

2.9 Hedging instruments

Bouygues SA uses hedging instruments to limit the impact on the income statement of fluctuations in exchange rates and interest rates.

These instruments share the following characteristics:

- they are limited to the following products: forward currency purchases and sales, currency swaps, cross currency swaps and purchases of currency options for currency risk hedging purposes, and interest rate swaps, future rate agreements, and purchases of caps and collars for interest rate risk hedging purposes;
- they are used solely for hedging and pre-hedging purposes;
- they are contracted solely with high-quality French and foreign banks;
- they carry no liquidity risk in the event of reversal.

Gains and losses on financial instruments used for hedging purposes are recognised in the income statement symmetrically with gains and losses arising on the hedged item.

2.10 Retirement benefit obligations

Methods and assumptions used in calculating the obligation:

- projected unit credit method based on final salary;
- benefits as defined in agreements or established by custom within the company, taking into account applicable collective agreements for managerial, administrative, clerical, technical and supervisory grade staff;
- obligation measured in accordance with opinions and recommendations issued by the ANC (French national accounting standard-setter);
- vested rights as of 31 December 2021;
- employees classified in groups with similar characteristics in terms of grade, age and length of service;
- average monthly salary for each employee group, uplifted by a percentage to reflect the applicable rate of employer's social security charges;
- salary increase rate and discount rate: rates revised annually to reflect actual trends;
- average employee turnover rate calculated on the basis of the average number of leavers (voluntary departures only) over the last five years;
- mortality by reference to INSEE 2012-2014 life expectancy tables; and
- application of the revised IAS 19, further to the ANC Recommendation of November 2013: actuarial gains and losses are recognised in profit or loss.

2.11 Consolidation

Bouygues SA is the ultimate parent company in the consolidation.

Note 3 Non-current assets

	Balance at 31/12/2020	Increases	Decreases	Balance at 31/12/2021
Intangible assets				
Software	8			8
Other				
Gross value	8			8
Accumulated amortisation	(6)	(1)		(7)
CARRYING AMOUNT	2	(1)		1
Property, plant and equipment				
Land and buildings				
Other				
Gross value				
Accumulated depreciation				
CARRYING AMOUNT				
Long-term investments				
Holdings in subsidiaries and affiliates	9,761	551 ^a	878 ^b	9,434
Loans and advances to subsidiaries and affiliates				
Other	22	90 ^c		112
Gross value	9,783	641	878	9,546
Impairment	(76)	(11)		(87)
CARRYING AMOUNT	9,707	630	878	9,459
TOTAL CARRYING AMOUNT	9,709	629	878	9,460

(a) Includes:

- Bouygues Construction: purchase of 430 shares for €2.19 million.
- Bouygues Telecom: subscription to the 15 December 2021 rights issue, 6,478,846 shares for €540.98 million.
- BY Invest: subscription to the 20 December 2021 rights issue, 225,000 shares for €2.25 million.
- BY Relais: subscription to the 20 December 2021 rights issue, 207,795 shares for €5.40 million.

(b) Includes:

- Alstom: carrying amount of the 11,000,000 shares sold, i.e. €417.67 million.
- Alstom: carrying amount of the 12,000,000 shares sold, i.e. €455.64 million.
- GIE 32 Hoche: reduction in share capital by decreasing the par value of shares on 23 December 2021, impact €4.5 million.

(c) Includes:

- Purchase of 2,570,000 of the company's own shares for €87.5 million.

Note 4 Current assets by maturity

	Gross value	< 1 year	> 1 year
Advances and down-payments made on orders			
Trade receivables	52	52	
Other receivables	120	118	2
TOTAL	172	170	2

Note 5 Cash and cash equivalents

	31/12/2021	31/12/2020
Term deposits with maturities of less than 3 months	805	700
Other items	3,724	1,552
TOTAL	4,529	2,252

Note 6 Other assets and liabilities

	31/12/2020	Increases	Decreases	31/12/2021	Amount due in < 1 year
Assets					
Bond issue costs	7	3	(1)	9	2
Upfront payments on interest rate swaps: deferred charges	82		(14)	68	13
Bond redemption premium	14	2	(2)	14	2
Bond repurchase premium					
Other	2	2	(2)	2	2
TOTAL	105	7	(19)	93	19
Liabilities					
Upfront payments on interest rate swaps: deferred income		11		11	2
Other					
TOTAL		11		11	2

Note 7 Change in shareholders' equity

SHAREHOLDERS' EQUITY AT 31 DECEMBER 2020 (BEFORE APPROPRIATION OF PROFITS)	6,726
Dividends paid	(647) ^a
SHAREHOLDERS' EQUITY AFTER APPROPRIATION OF PROFITS	6,079
Changes in share capital	2
Changes in share premium and reserves	52 ^b
Retained earnings	(1) ^c
Net profit/(loss) for the period	550
Investment grants	
Restricted provisions	(1)
Other movements	
SHAREHOLDERS' EQUITY AT 31 DECEMBER 2021	6,681

(a) The Combined General Meeting of 22 April 2021 approved the payment of a dividend of €1.70 per share. Bouygues SA paid out €647 million on 6 May 2021.

(b) Includes €51.3 million from stock options exercised during the year.

(c) Impact of change in accounting policy for lump-sum retirement benefits further to the IFRS IC decision of December 2020 and the ANC decision of 5 November 2021.

Note 8 Composition of share capital

	Number of voting rights	Number of shares
START OF PERIOD	514,767,427	380,759,842
Movements during the period	1,022,366	1,744,953 ^a
END OF PERIOD	515,789,793	382,504,795
PAR VALUE (€)		1

Maximum number of potentially dilutive shares: 2,881,851

(a) Movements during the period:

Exercise of stock options: 1,744,953 shares issued for €53 million

- €1.7 million in share capital
- €51.3 million in share premium

Note 9 Provisions

	31/12/2020	Charge for the year	Reversals during the year		31/12/2021
			Used	Unused	
Provisions for subsidiaries	2	4		(2)	4
Provisions for income taxes (tax risks)	1	1			2
Other provisions	7				7
Provisions for risks	10	5		(2)	13
Provisions for charges	31	41	(13)	(1) ^a	58
TOTAL	41	46	(13)	(3)	71
			(16) ^b		
Operating items		41	(13)		
Financial items		4	(2)		
Exceptional items (including taxes)		1			
		46	(15) ^b		

(a) See footnote (c) in Note 7.

(b) The €1-million difference between (i) the movement in provisions reported in the balance sheet and (ii) net charges/reversals for the period in the income statement is due to the recognition in retained earnings of the impact of the change in accounting policy for lump-sum retirement benefits further to the IFRS IC decision of December 2020 and the ANC decision of 5 November 2021.

Note 10 Liabilities by maturity at the end of the reporting period

Liabilities	Gross value	< 1 year	1 to 5 years	> 5 years
Debt				
Bond issues (including accrued interest)				
October 2006 bond issue ^a	603	8	595	
February 2012 bond issue ^b	832	832		
October 2012 bond issue ^c	724	24	700	
December 2016 bond issue ^d	756	6		750
April 2020 bond issue ^e	1,005	5		1,000
November 2021 bond issue ^f	800			800
Bank borrowings				
Other borrowings ^g	60		60	
Total debt	4,780	875	1,355	2,550
Trade payables	54	54		
Other payables	68	68		
Overdrafts and short-term bank borrowings	3,031	3,031		
Deferred income	11	2	5	4
TOTAL	7,944	4,030	1,360	2,554

Original amounts, excluding accrued interest:

(a) October 2006 bond issue:

- Amount: £400 million (€595.33 million) – Rate: 5.5%
- Redemption terms: redeemable in full at par on 6 October 2026

(b) February 2012 bond issue:

- Amount: €800 million – Rate: 4.50%
- Redemption terms: redeemable in full at par on 9 February 2022

(c) October 2012 bond issue:

- Amount: €700 million – Rate: 3.625%
- Redemption terms: redeemable in full at par on 16 January 2023

(d) December 2016 bond issue:

- Amount: €750 million – Rate: 1.375%
- Redemption terms: redeemable in full at par on 7 June 2027

(e) April 2020 bond issue:

- Amount: €1,000 million – Rate: 1.125%
- Redemption terms: redeemable in full at par on 24 July 2028

(f) November 2021 bond issue:

- Amount: €800 million – Rate: 0.5%
- Redemption terms: redeemable in full at par on 11 February 2030

(g) July 2019 loan agreement between Bouygues and Uniservice:

- Amount: €60 million – Rate: statutory interest rate prevailing in Switzerland

Note 11 Details of amounts involving related companies

	Gross amount		Gross amount
Assets		Liabilities	
Long-term investments	9,434	Debt	60
Operating receivables	52	Trade payables	2
Other receivables	38	Other payables	54
Cash and current accounts		Bank overdrafts and current accounts	3,031
TOTAL	9,524	TOTAL	3,147
Expenses		Income	
Operating expenses	18	Sales and other operating income	102
Financial expenses	6	Financial income	564
Income tax expense		Income tax gains	92
TOTAL	24	TOTAL	758

Note 12 Financial instruments

12.1 Interest rate and currency hedges by maturity

	< 1 year	1 to 5 years	> 5 years	Total
Forward purchases				
Forward sales				
Currency swaps				
Interest rate swaps		3,700		3,700
Interest rate options (caps, floors)				

12.2 Interest rate and currency hedges by original currency

	EUR	CHF	GBP	USD	Other currencies	Total
Forward purchases						
Forward sales						
Currency swaps						
Interest rate swaps	3,700					3,700
Interest rate options (caps, floors)						

12.3 Options

None.

Note 13 Off balance sheet commitments given and received

	Amount of guarantee	of which related companies
Commitments given (contingent liabilities)		
Other commitments given ^{a b}	3,806	106
TOTAL	3,806	106
Commitments received (contingent assets)		
Other commitments received ^b	3,706	
TOTAL	3,706	

(a) Includes joint and several underwriting of credit facilities: €99.4 million.

(b) Includes interest rate swaps (€3,700 million), and joint and several underwriting of the Francis Bouygues Foundation (€6.3 million over three years from 2022 to 2024).

Other commitments:

On 5 November 2021, the Bouygues and Engie groups signed a purchase agreement under which Bouygues agreed to acquire all of the Equans group (see Note 1.7).

On 3 December 2021, Bouygues signed a syndicated credit facility agreement to finance €6 billion of the cost of that acquisition. The facility, provided by 16 participating banks, expires on the earlier of (i) 24 months after the closing of the acquisition or (ii) 31 March 2025; it is due to be refinanced via a bond issue by 2024.

To protect against adverse movements in interest rates, Bouygues contracted pre-hedging instruments in late 2021 (see Note 13) and early 2022.

Note 14 Sales

Sales recorded by Bouygues SA mainly comprise costs of shared support functions recharged to subsidiaries.

Note 15 Financial income and expenses

	2021	2020
Dividend income and shares of partnership profits	564 ^b	807 ^a
Interest income	1	1
Interest expense	(118)	(187)
Other financial income/(expense), net: proceeds from disposals, impairment losses and provisions	(29)	35
TOTAL	418	657

(a) In 2020, neither TF1 nor Bouygues Immobilier paid a dividend. Bouygues Construction, Colas and Bouygues Telecom paid out €797.78 million.

(b) In 2021, TF1 paid out a dividend of €41.38 million; Bouygues Immobilier did not pay a dividend; and Bouygues Construction, Colas and Bouygues Telecom paid out €283.7 million less in 2021 than in 2020.

Note 16 Group tax election and income tax gain/expense

Bouygues made a group tax election in 1997 under Article 223-A-U of the French General Tax Code; this election still applies.

In addition to Bouygues SA, the group tax election included 76 subsidiaries in 2021.

Each company in the tax group recognises its own income tax expense as though the group tax election is not in place; the parent company recognises any tax savings.

Bouygues recognised an income tax gain for 2021, which breaks down as follows:

	Short-term	Long-term	Total
Net income tax gain/(expense)	(12)	(3)	(15)
Income tax received from profitable subsidiaries in the tax group	102	3	105
TOTAL	90		90

The €4 million negative difference from the figure reported in the income statement derives from (i) a tax gain of €3 million on tax inspections of subsidiaries included in the group tax election and (ii) an adjustment to 2020 income tax with a negative impact of €7 million.

Note 17 Contingent tax position

	31/12/2020		Movements in the year		31/12/2021	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Non-deductible expenses						
Provisions for income taxes	1		1		2	
Other non-deductible expenses	24 ^a		6	2	28	
TOTAL	25		7	2	30	
Expenses deductible for tax purposes/income liable to tax but not recognised for accounting purposes						
Unrealised foreign exchange losses						
Unrealised foreign exchange gains						
Unrealised foreign exchange gains/losses, net						
Deferred income						
Deferred charges						
Capitalisation bonds			1		1	
Liquidity account						
Bond repurchase premium						
Other income and expenses			1		1	
TOTAL			1		1	

(a) The change in accounting policy for lump-sum retirement benefits further to the IFRS IC decision of December 2020 and the ANC decision of 5 November 2021 led to a reduction of €1 million in the opening balance on the "Other non-deductible expenses" line.

As of 31 December 2021, the stock of tax losses available for carry-forward under the group tax election represents a tax base of €390.7 million.

Note 18 Average number of employees during the year

	2021	2020
Managerial staff	186	179
Administrative, clerical, technical and supervisory staff	14	11
TOTAL	200	190

Note 19 Advances, loans and remuneration paid to directors and senior executives

Remuneration of directors and senior executives of Bouygues SA and its subsidiaries in post as of 31 December 2021 in respect of the year then ended:

- total amount of direct and indirect remuneration of all kinds received by senior executives (Chairman, Chief Executive Officer, and Deputy Chief

Executive Officers): €3.7 million of basic remuneration, €4.6 million of variable remuneration based on 2021 performance, and €0.28 million of remuneration for participation in Board meetings; and

- remuneration paid by Bouygues SA to non-executive directors: €0.79 million.

Note 20 List of investments

	Number of shares	%	Estimated realisable value
Alstom	581,441	0.156	18 ^b
Bouygues Construction	1,705,630	99.965	957 ^c
Bouygues Immobilier	90,930	100.000	448 ^c
Bouygues Telecom	54,974,426	90.164	6,357 ^a
Colas	31,612,111	96.808	2,859 ^c
TF1	91,946,297	43.683	772 ^c
Other holdings			230
TOTAL HOLDINGS IN SUBSIDIARIES AND AFFILIATES			11,641
Negotiable debt instruments and money-market mutual funds			421 ^{a b}
Capitalisation bonds			1 ^{a b}
Other investments			22 ^{a b}
TOTAL SHORT-TERM INVESTMENTS			444
TOTAL INVESTMENTS			12,085

The estimated realisable value shown is:

(a) Carrying amount (net book value).

(b) Stock market value (quoted closing price on 31 December 2021).

(c) Share of consolidated net assets.

Note 21 List of subsidiaries and affiliates

	Share capital ^a	Other shareholders' equity ^{a,b}	%	Carrying amount ^c		Loans and advances	Guarantees ^c	Sales ^c	Net profit/(loss) ^c	Dividends received ^c
				Gross	Net					
A – Detailed information										
1. SUBSIDIARIES (> 50%)										
France										
Bouygues Construction ^d	128	829	99.96	61	61			12,770	274	152
Bouygues Immobilier ^d	139	309	100.00	315	315			2,116	7	
Bouygues Telecom ^d	929	4,408	90.16	6,357	6,357			7,256	445	270
Colas ^d	49	2,904	96.81	1,722	1,722			13,226	261	92
TOTAL				8,455	8,455					514
Other countries										
Uniservice	51	21	99.99	32	32				7	8
TOTAL				32	32					8
2. AFFILIATES (INTEREST > 10%, ≤ 50%)										
France										
TF1 ^d	42	1,726	43.68	732	732			2,427	225	41
TOTAL				732	732					41
Other countries										
TOTAL										
B – Aggregate information										
3. OTHER SUBSIDIARIES										
France				192	110			17	(8)	
Other countries				1				1		
4. OTHER AFFILIATES										
France				22 ^e	18 ^f			7,575 ^g	(11) ^h	
Other countries								30		
OVERALL TOTAL				9,434	9,347					563

(a) In local functional currency.

(b) Including net profit/loss for the year.

(c) In euros.

(d) Parent company of a business segment: share capital, other shareholders' equity, sales and net profit/loss on a consolidated basis for the segment as of 31 December 2021.

(e) Includes €22 million for Alstom.

(f) Includes €18 million for Alstom.

(g) Includes €7,443 million for Alstom – half-year figure published as of 30 September 2021.

(h) Includes €(17) million for Alstom – half-year figure published as of 30 September 2021.

6.4 AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS

To the Annual General Meeting of the shareholders of Bouygues,

Opinion

In accordance with the assignment entrusted to us by your Annual General Meetings, we have conducted our audit of the accompanying parent company financial statements of Bouygues for the year ended 31 December 2021.

In our opinion, the parent company financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at 31 December 2021, and of the results of its operations for the year

then ended, in accordance with French Generally Accepted Accounting Principles (GAAP).

The opinion expressed above is consistent with the contents of our report to the Audit Committee.

Basis for our opinion

Auditing standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are described in the section "Auditors' responsibilities for the audit of the parent company financial statements" below.

Independence

We conducted our audit engagement in compliance with the rules on independence contained in the Commercial Code and in the code of ethics of the auditing profession during the period from 1 January 2021 to the date of issuance of this report. Specifically, we provided no services prohibited by Article 5, Paragraph 1 of Regulation (EU) No. 537/2014.

Emphasis of matter

Without modifying the opinion expressed above, we draw to your attention Note 2.1 to the parent company financial statements, which describes the impact of the change in accounting policy relating to the measurement and

recognition of obligations for retirement and similar benefits as a result of applying the decision of the ANC (the French national accounting standard-setter) of 5 November 2021.

Justification of our assessments – Key audit matters

The global crisis caused by the Covid-19 pandemic created challenging conditions for the preparation and audit of this year's financial statements. The crisis – and the unprecedented public health measures taken in response – had multiple consequences for businesses, especially on their operations and finances, and also created increased uncertainty about their future prospects. Some of those measures, such as travel restrictions and teleworking, also had an impact on internal organisation within companies and on the arrangements for conducting audits.

It is in this complex and evolving context that, pursuant to Articles L. 823-9 and R. 823-7 of the Commercial Code regarding the justification of our assessments, we draw your attention to key audit matters that relate to

those risks of material misstatement that in our professional judgment were of the most significance in the audit of the parent company financial statements for the year, and our response to those risks.

Our assessment should be seen in the context of the audit of the parent company financial statements taken as a whole, and of the formation of our opinion as expressed above. We do not express an opinion on elements of the parent company financial statements taken in isolation.

Measurement of long-term investments

Identified risk

Long-term investments, as shown in the balance sheet as of 31 December 2021 at an amount of €9.3 billion, mainly comprise the holdings in subsidiaries and affiliates listed in Note 21 to the parent company financial statements.

- As explained in Note 2.3.1 to the parent company financial statements, holdings in subsidiaries and affiliates and other long-term investment securities are recognised at cost, including directly attributable acquisition costs. Their value in use (realisable value) is determined using objective criteria, forecast data, or any other information indicative of the actual value of the asset. If value in use is less than the carrying amount, a provision for impairment is recorded to cover the difference.
- As explained in Note 2.3.2 to the parent company financial statements, long-term receivables are shown in the balance sheet at face value. If the realisable value (taking into account the probability of recovery) is less than the carrying amount, a provision for impairment is recorded to cover the difference.

We identified the measurement of long-term investments as a key audit matter, insofar as it is sensitive to the estimates and assumptions used by management and hence can have a material effect on the financial statements.

Our response

Our principal procedures are summarised below:

- We obtained an understanding of the budgetary process and key controls associated with that process in order to determine the value in use of holdings in subsidiaries and affiliates and other long-term investments.
- We assessed the methods used to calculate value in use, in particular the cash flow projections for the companies in which the holdings are owned.
- With assistance from our valuation experts, we assessed the discount rates used in calculating value in use.
- We tested the arithmetical accuracy of value in use calculations carried out by Bouygues.
- Where appropriate, we performed sensitivity analyses, particularly for holdings in subsidiaries and affiliates whose value in use was close to their carrying amount.
- We assessed the recoverability of long-term receivables by reference to analyses performed on holdings in subsidiaries and affiliates and other long-term investment securities.
- We checked the information provided in the notes to the parent company financial statements, in particular the description used to determine the realisable value of significant holdings.

Specific verifications

We also performed, in accordance with professional standards applicable in France, the specific verifications required by law and regulations.

Information given in the management report and in other documents addressed to the shareholders about the financial position and the parent company financial statements

We have no matters to report as to the fair presentation and consistency with the parent company financial statements of the information given in the Board of Directors' management report and in other documents addressed to the shareholders about the financial position and the parent company financial statements.

We hereby attest that the information about payment terms provided in accordance with Article D.441-6 of the Commercial Code is fairly presented and consistent with the parent company financial statements.

Report on corporate governance

We hereby attest that the information required under Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the Commercial Code is contained in the Board of Directors' report on corporate governance.

As regards the information required under Article L. 22-10-9 of the Commercial Code on the remuneration and benefits paid or awarded to corporate officers and commitments made in their favour, we have verified its consistency with the financial statements or with the underlying data used to prepare these financial statements and, where applicable, with items obtained by your company from companies that are controlled by it and are included in the scope of consolidation. Based on those procedures, we attest that this information is accurate and fairly presented. As regards the information required under Article L. 22-10-11 of the Commercial Code on factors your company regards as likely to have an impact in the event of a public tender offer or public exchange offer, we have verified its consistency with the source documents as communicated to us. Based on those procedures, we have no matters to report on this information.

Other information

In accordance with law, we have verified that the required information about the identity of shareholders and holders of voting rights has been disclosed to you in the management report.

Other verifications or information required under legal or regulatory obligations

Presentation format for parent company financial statements intended for inclusion in the annual financial report

We also verified, in accordance with professional standards relating to audit procedures in respect of parent company and consolidated financial statements presented in the European single electronic reporting format, the compliance with that format (as defined in European Delegated Regulation 2019/815 of 17 December 2018) of the presentation of the parent company financial statements intended for inclusion in the annual financial report mentioned in paragraph I of Article 451-1-2 of the Monetary and Financial Code and prepared under the responsibility of the Chief Executive Officer.

Based on our procedures, we conclude that the presentation of the parent company financial statements intended for inclusion in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to verify that the parent company financial statements actually included by your company in the annual financial report filed with the AMF correspond to those on which we performed our procedures.

Appointment as auditors

We were appointed as auditors of Bouygues by your Annual General Meetings of 10 June 1998 (Mazars) and of 24 April 2003 (Ernst & Young Audit).

As of 31 December 2021, Mazars was in its twenty-fourth uninterrupted year as auditor, and Ernst & Young Audit in its nineteenth.

Responsibilities of management, and of those charged with governance, for the parent company financial statements

It is the responsibility of management to prepare parent company financial statements that give a true and fair view in accordance with French Generally Accepted Accounting Principles (GAAP), and to implement such internal control as it determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern; to disclose in those financial statements any matters

relating to going concern; and to apply the going concern basis of accounting unless it is intended to liquidate the company or cease trading.

It is the responsibility of the Audit Committee to oversee the process for the preparation of financial information and the effectiveness of internal control and risk management systems, and of internal audit, as regards procedures for preparing and processing accounting and financial information.

The parent company financial statements have been closed off by the Board of Directors.

Auditors' responsibilities for the audit of the parent company financial statements

Objective and audit approach

It is our responsibility to prepare a report on the parent company financial statements. Our objective is to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could be reasonably expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the Commercial Code, our audit does not involve guaranteeing the viability of the company or the quality of how it is managed.

As part of an audit in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout the audit. In addition, the auditor:

- identifies and assesses the risks of material misstatement of the parent company financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the parent company financial statements;
- concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. Those conclusions are based on the audit evidence obtained up to the date of the auditor's report, with the caveat that future events or conditions may cause a company to cease to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the parent company financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or disclaimer;
- evaluates the overall presentation of the parent company financial statements, and whether the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view of them.

Report to the Audit Committee

We submit a report to the Audit Committee that describes inter alia the scope of our audit, the work programme followed, and our findings. We also inform the Audit Committee of any significant deficiencies in internal control we identified as regards the procedures used for the preparation and processing of accounting and financial information.

The information contained in our report to the Audit Committee includes those risks of material misstatement that we determined were of most significance in the audit of the parent company financial statements of the current period and are therefore the key audit matters that we are required to describe in the present report.

We also provide the Audit Committee with written confirmation (as required under Article 6 of Regulation (EU) No. 537-2014) of our independence, within the meaning of the rules applicable in France and contained inter alia in Articles L. 822-10 to L. 822-14 of the Commercial Code and in the code of ethics of the French auditing profession. Where applicable, we also communicate with the Audit Committee about risks to our independence, and related safeguards.

Paris-La Défense, 23 February 2022

The Statutory Auditors

MAZARS
Gilles Rainaut

ERNST & YOUNG Audit
Nicolas Pfeuty

COMBINED ANNUAL GENERAL MEETING OF 28 APRIL 2022



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7.1 AGENDA

7.1.1 Ordinary General Meeting

1. Approval of the parent company financial statements for the year ended 31 December 2021.
2. Approval of the consolidated financial statements for the year ended 31 December 2021.
3. Appropriation of 2021 earnings, setting of dividend.
4. Approval of the regulated agreements specified in Articles L. 225-38 et seq of the Commercial Code.
5. Approval of the remuneration policy for directors.
6. Approval of the remuneration policy for the Chairman of the Board of Directors.
7. Approval of the remuneration policy for the Chief Executive Officer and Deputy Chief Executive Officers.
8. Approval of the information about the remuneration of corporate officers mentioned in paragraph I of Article L. 22-10-9 of the Commercial Code.
9. Approval of the components of the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to Martin Bouygues, Chairman and Chief Executive Officer until 17 February 2021.
10. Approval of the components of the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to Olivier Roussat, Deputy Chief Executive Officer until 17 February 2021.
11. Approval of the components of the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to Martin Bouygues, Chairman of the Board of Directors from 17 February 2021.
12. Approval of the components of the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to Olivier Roussat, Chief Executive Officer from 17 February 2021.
13. Approval of the components of the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to Pascal Grangé, Deputy Chief Executive Officer from 17 February 2021.
14. Approval of the components of the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to Edward Bouygues, Deputy Chief Executive Officer from 17 February 2021.
15. Renewal of the term of office of Olivier Bouygues as a director.
16. Renewal of the term of office of SCDM as a director.
17. Renewal of the term of office of SCDM Participations as a director.
18. Renewal of the term of office of Clara Gaymard as a director.
19. Renewal of the term of office of Rose-Marie Van Lerberghe as a director.
20. Appointment of Félicie Burelle as a director.
21. Renewal of the term of office of Raphaëlle Deflesselle as a director.
22. Renewal of the term of office of Michèle Vilain as a director.
23. Reappointment of Mazars as a principal auditor.
24. Authorisation to the Board of Directors to trade in the company's shares, for a period of eighteen months.

7.1.2 Extraordinary General Meeting

25. Authorisation to the Board of Directors, for a period of eighteen months, to reduce the share capital by cancelling treasury shares held by the company.
26. Delegation of competence to the Board of Directors, for a period of twenty-six months, to increase the share capital, without pre-emptive rights for existing shareholders, for the benefit of employees or corporate officers of the company or related companies who are members of a company savings scheme.
27. Authorisation to the Board of Directors, for a period of twenty-six months, to allot existing or new shares free of charge, entailing the waiver by shareholders of their pre-emptive rights, in favour of employees or corporate officers of the company or related companies.
28. Delegation of competence to the Board of Directors, for a period of eighteen months, to issue equity warrants during the period of a public offer for the company's shares, up to a limit of 25% of the share capital;
29. Powers to accomplish formalities.

7.2 BOARD OF DIRECTORS' REPORT AND RESOLUTIONS SUBMITTED TO THE COMBINED ANNUAL GENERAL MEETING

This section presents the draft resolutions that will be submitted to the Combined Annual General Meeting of Bouygues shareholders, and the Board of Directors' report explaining the rationale for those resolutions.

7.2.1 Ordinary General Meeting

Resolutions 1, 2 and 3 – Approval of the parent company and consolidated financial statements for the year ended 31 December 2021, appropriation of earnings and setting of the dividend (€1.80 per share)

In **resolutions 1 and 2**, we ask you, having acquainted yourselves with the reports of the Board of Directors and the auditors, to approve:

- the parent company financial statements for the year ended 31 December 2021, showing net profit of €550,275,293.58; and
- the consolidated financial statements for the year ended 31 December 2021, showing net profit attributable to the Group of €1,125 million.

Those financial statements and reports are included in this Universal Registration Document; they are also available on www.bouygues.com. The Convening Notice to the Annual General Meeting contains a set of condensed consolidated financial statements.

The financial year ended 31 December 2021 gave distributable earnings of €3,047,145,104.12, consisting of the following:

- net profit for the year: €550,275,293.58;
- transfer to the legal reserve: €(174,495.30);
- retained earnings brought forward: €2,497,044,305.84.

In **resolution 3** we propose that you appropriate earnings as follows:

- distribute a total dividend of €688,508,631.00;
- appropriate the remainder, i.e. €2,358,636,473.12, to retained earnings.

The payout represents an ordinary dividend of €1.80 for each of the 382,504,795 existing shares at 31 December 2021. This dividend is eligible for the optional 40% tax relief mentioned in paragraph 2 of Article 158-3 of the General Tax Code. Retained earnings amount to €2,358,636,473.12.

The dividend ex-date will be 3 May 2022, and the payment date will be 5 May 2022.

In accordance with Article 243 bis of the General Tax Code, the dividend amounts paid out in respect of the last three financial years are listed in the third resolution below.

First resolution

(APPROVAL OF THE PARENT COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Board of Directors' report and the auditors' report, hereby approves the parent company financial statements for the year ended 31 December 2021 as presented to it, showing a net profit of €550,275,293.58, as well as the transactions recorded in those financial statements and summarised in those reports.

Second resolution

(APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the consolidated financial statements for the year ended 31 December 2021, the Board of Directors' report and the auditors' report, hereby approves the consolidated financial statements for the year ended 31 December 2021, showing a net profit attributable to the Group of €1,125 million, as well as the transactions recorded in those financial statements and summarised in those reports.

Third resolution

(APPROPRIATION OF 2021 EARNINGS, SETTING OF DIVIDEND)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, notes that net profit for the year ended 31 December 2021 amounts to €550,275,293.58, which minus the transfer to the legal reserve of €174,495.30 and plus retained earnings of €2,497,044,305.84 gives distributable earnings of €3,047,145,104.12.

The meeting resolves, on the proposal of the Board of Directors, to appropriate earnings as follows:

€	
Net profit for the year	550,275,293.58
Transfer to the legal reserve	(174,495.30)
Retained earnings brought forward	2,497,044,305.84
Appropriation	
Ordinary dividend ^a	688,508,631
Retained earnings carried forward	2,358,636,473.12

(a) €1.80 x 382,504,795 shares (number of shares at 31 December 2021).

Accordingly, the dividend for the year ended 31 December 2021 is hereby set at a total of €1.80 per share carrying dividend rights.

The ex-date for the Euronext Paris market will be 3 May 2022, and the dividend will be payable in cash on 5 May 2022 based on positions qualifying for payment on the evening of 4 May 2022.

The entire dividend payout will be eligible for the 40% tax relief mentioned in paragraph 2 of Article 158-3 of the General Tax Code for taxpayers who have elected liability for income tax on a sliding scale basis.

If the company holds some of its own shares at the dividend payment date, the dividends not paid on those shares shall be allocated to retained earnings.

In accordance with law, the Annual General Meeting notes that the following dividends were distributed in respect of the three preceding financial years.

	2018	2019	2020
Number of shares at 31 December	372,377,939 ^c	379,828,120 ^d	380,759,842 ^e
Ordinary dividend per share (€)	1.70	1.70	1.70
Total dividend (€) ^{a b}	631,323,719.80	646,608,316.10	647,177,831.40

(a) The amounts shown represent dividends actually paid, taking account of the fact that shares held by the company itself do not qualify for dividends.

(b) Amounts eligible for the optional 40% tax relief mentioned in paragraph 2 of Article 158-3 of the General Tax Code.

(c) On 31 December 2018, the share capital comprised 372,377,939 shares. Given the cancellation of 869,832 shares by the Board of Directors on 20 February 2019, the number of shares entitled to dividend was 371,508,107.

(d) On 31 December 2019, the share capital comprised 379,828,120 shares; given the exercise stock options for 594,713 shares carried out before the Ordinary General Meeting of 4 September 2020, the number of shares entitled to dividend was 380,422,833.

(e) The Annual General Meeting of 22 April 2021 approved payment of a dividend for each share existing at midnight on the day before that meeting, i.e. a total of 380,759,842 shares.

Resolution 4 – Approval of regulated agreements

We ask you to approve the regulated agreements entered into and authorised by the Board of Directors in 2021 and in early 2022, between Bouygues and:

- one of its corporate officers (Executive Officer, director);
- a company in which a corporate officer of Bouygues also holds a directorship;
- a shareholder holding more than 10% of the voting rights of Bouygues.

This approval is part of what is known as the regulated (or related-party) agreements procedure, which aims to prevent potential conflicts of interest.

In accordance with law, these agreements were approved by the Board of Directors prior to signature, the directors concerned having abstained from voting. The auditors' special report on regulated agreements is in chapter 7, section 7.3 of this Universal Registration Document. The agreements mentioned in the auditors' special report that were approved by general meetings in previous years do not have to be voted on again by this Annual General Meeting.

Shared service agreements between Bouygues and its subsidiaries

At its 15 November 2021 meeting, the Board of Directors authorised the renewal, for a period of one year starting 1 January 2022, of shared service agreements between Bouygues and its subsidiaries.

Shared service agreements are standard in groups of companies. They enable Bouygues, as the parent company of the Group, to provide its subsidiaries with services and expertise in areas such as management, human resources, information technology, legal affairs, finance, etc. Bouygues and its main subsidiaries sign annual agreements relating to these services, so that each business segment can request the services and expertise it needs.

The principle behind these agreements is based on rules for allocating and invoicing the cost of shared services, including specific services and a share of residual costs, up to a limit expressed as a percentage of sales of the subsidiary concerned. The share of residual costs is invoiced at cost plus a margin of 10% for high value-added services and 5% for low value-added services.

In 2021, Bouygues invoiced the following amounts under these shared service agreements:

- Bouygues Construction: €18,853,546
- Colas: €18,317,188
- TF1: €3,504,293
- Bouygues Telecom: €10,934,315

Amendment to the internal audit service agreement between Bouygues and Bouygues Telecom

At its 19 January 2022 meeting, the Board of Directors authorised the conclusion of a seventh amendment to the internal audit service

agreement between Bouygues and Bouygues Telecom, to extend it to 30 June 2022.

This agreement enables Bouygues Telecom to be provided with internal audit services specific to the telecoms industry that contribute to the smooth running of this subsidiary and are sourced from Bouygues.

The amount of services sourced from Bouygues is set at €180,000 excluding VAT (€350,000 excluding VAT for 2021).

Reciprocal service agreement between Bouygues and SCDM

At its 15 November 2021 meeting, the Board of Directors authorised the signature of a reciprocal service agreement between Bouygues and SCDM, for a period of one year starting 1 January 2022.

SCDM, a simplified limited company controlled by Martin Bouygues, Olivier Bouygues and their families, provides consultancy services in strategy, development, research and analysis into strategic developments and growth of the Bouygues group, major investments and divestments, and multi-year plans. SCDM has a team of specialists with extensive experience of mergers and acquisitions, and strategy.

For its part, Bouygues provides SCDM with specific assistance and support services, such as cash management, human resources management, information technology support.

Under the terms of this agreement, SCDM invoices Bouygues for costs actually incurred, subject to a cap of €2 million a year. This amount corresponds to the remuneration awarded to Martin Bouygues by the Board of Directors in respect of his office as corporate officer, including social security and tax charges. The remainder is for the salaries of the strategy and development team, including social security and tax charges, excluding specific services.

Under this agreement, SCDM invoiced Bouygues €1.642 million in 2021, giving total billings of €3.211 million after adjusting for items relating to the 2020 financial year totalling €1.569 million.

Under the letter of agreement dated 1 February 2021, Bouygues was invoiced €0.32 million for an additional service related to the Unify strategy.

Bouygues invoiced SCDM €0.44 million.

Group tax election agreements

At its 17 February 2021 meeting, the Board of Directors authorised the renewal, for a period of five years starting 1 January 2022, of group tax election agreements entered into with Bouygues Construction and Colas. These agreements enable Bouygues to assume sole liability for the corporate income tax (and additional corporate income tax contributions) payable by the tax group constituting Bouygues and the companies included in the group tax election.

Fourth resolution

(APPROVAL OF THE REGULATED AGREEMENTS SPECIFIED IN ARTICLES L. 225-38 ET SEQ OF THE COMMERCIAL CODE)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the auditors' special report on regulated agreements specified in Articles L. 225-38 et seq of the Commercial Code, hereby approves the regulated agreements set out in that report that have not yet been approved by an Annual General Meeting.

Resolutions 5 to 7 – Approval of the remuneration policy for corporate officers (ex ante Say on Pay)

In accordance with the provisions of Article L. 22-10-8 of the Commercial Code, the shareholders are required to vote on the remuneration policy for corporate officers.

- Remuneration policy for directors (**resolution 5**).
- Remuneration policy for the Chairman of the Board of Directors (**resolution 6**).
- Remuneration policy for the Chief Executive Officer and Deputy Chief Executive Officers (**resolution 7**).

That policy was signed off by the Board of Directors on 23 February 2022, on the basis of proposals from the Selection and Remuneration Committee. It serves the corporate interests of Bouygues, help secure its long-term future, and is in line with its commercial strategy. The policy is described in section 2.4.1 (Remuneration policy) of this Universal Registration Document.

Fifth resolution

(APPROVAL OF THE REMUNERATION POLICY FOR DIRECTORS)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Report on corporate governance prepared pursuant to paragraph II of Article L. 22-10-8 of the Commercial Code, hereby approves the remuneration policy for directors. This policy is described in section 2.4.1 (Remuneration policy) of this Universal Registration Document.

Sixth resolution

(APPROVAL OF THE REMUNERATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Report on corporate governance prepared pursuant to paragraph II of Article L. 22-10-8 of the Commercial Code, hereby approves the remuneration policy for the Chairman of the Board of Directors. This policy is described in section 2.4.1 (Remuneration policy) of this Universal Registration Document.

Seventh resolution

(APPROVAL OF THE REMUNERATION POLICY FOR THE CHIEF EXECUTIVE OFFICER AND DEPUTY CHIEF EXECUTIVE OFFICERS)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Report on corporate governance prepared pursuant to paragraph II of Article L. 22-10-8 of the Commercial Code, hereby approves the remuneration policy for the Chief Executive Officer and Deputy Chief Executive Officers. This policy is described in section 2.4.1 (Remuneration policy) of this Universal Registration Document.

Resolutions 8 to 14 – Approval of the remuneration of corporate officers in respect of 2021 (ex post Say on Pay)

In accordance with the provisions of Article L. 22-10-9-34 I of the Commercial Code, we propose in **resolution 8** that you approve the information on the remuneration of corporate officers mentioned in paragraph I of Article L. 22-10-9 of the Commercial Code.

We also propose, in **resolutions 9 to 14**, that you approve the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to the Executive Officers, in accordance with the provisions of Article L. 22-10-34 of the Commercial Code.

You are reminded that the Board meeting of 17 February 2021 decided to separate the offices of Chairman and Chief Executive Officer with immediate effect. At that meeting, the Board confirmed Martin Bouygues in his role as Chairman of the Board of Directors, appointed Olivier Roussat to serve as Chief Executive Officer, and appointed Pascal Grangé and Edward Bouygues as Deputy Chief Executive Officers.

Acting on a recommendation from the Selection and Remuneration Committee, the Board meeting of 23 February 2022 approved the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or awarded in respect of the 2021 financial year to Martin Bouygues, Chairman and Chief Executive Officer until 17 February 2021 then Chairman of the Board of Directors, to Olivier Roussat, Deputy Chief Executive Officer until 17 February 2021 then Chief Executive Officer, as well as to Pascal Grangé and Edward Bouygues, Deputy Chief Executive Officers with effect from 17 February 2021.

Those components were paid or awarded in accordance with the remuneration policy approved by the Annual General Meeting of 22 April 2021 (resolutions 5 and 6).

Those components are described in section 2.4.2 (Remuneration of corporate officers in 2021) of this Universal Registration Document.

Eighth resolution

(APPROVAL OF THE INFORMATION ABOUT THE REMUNERATION OF CORPORATE OFFICERS MENTIONED IN PARAGRAPH I OF ARTICLE L. 22-10-9 OF THE COMMERCIAL CODE)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph I of Article L. 22-10-34 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the information published pursuant to paragraph I of Article L. 22-10-9 of the Commercial Code.

Ninth resolution

(APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN RESPECT OF THE 2021 FINANCIAL YEAR TO MARTIN BOUYGUES, CHAIRMAN AND CHIEF EXECUTIVE OFFICER UNTIL 17 FEBRUARY 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or awarded in respect of the year ended 31 December 2021 to Martin Bouygues, in his capacity as Chairman and Chief Executive Officer until 17 February 2021, as presented in the Report on corporate governance specified in Article L. 225-37 of the Commercial Code, and described in section 2.4.2 (Remuneration of corporate officers in 2021) of this Universal Registration Document.

Tenth resolution

(APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN RESPECT OF THE 2021 FINANCIAL YEAR TO OLIVIER ROUSSAT, DEPUTY CHIEF EXECUTIVE OFFICER UNTIL 17 FEBRUARY 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or awarded in respect of the year ended 31 December 2021 to Olivier Roussat, in his capacity as Deputy Chief Executive Officer until 17 February 2021, as presented in the Report on corporate governance specified in Article L. 225-37 of the Commercial Code, and described in section 2.4.2 (Remuneration of corporate officers in 2021) of this Universal Registration Document.

Eleventh resolution

(APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN RESPECT OF THE 2021 FINANCIAL YEAR TO MARTIN BOUYGUES, CHAIRMAN OF THE BOARD OF DIRECTORS FROM 17 FEBRUARY 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or awarded in respect of the year ended 31 December 2021 to Martin Bouygues, in his capacity as Chairman of the Board of Directors from 17 February 2021 as presented in Report on corporate governance specified in Article L. 225-37 of the Commercial Code, and described in section 2.4.2 (Remuneration of corporate officers in 2021) of this Universal Registration Document.

Twelfth resolution

(APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN RESPECT OF THE 2021 FINANCIAL YEAR TO OLIVIER ROUSSAT, CHIEF EXECUTIVE OFFICER FROM 17 FEBRUARY 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or awarded in respect of the year ended 31 December 2021 to Olivier Roussat, in his capacity as Chief Executive Officer from 17 February 2021, as presented in the Report on corporate governance specified in Article L. 225-37 of the Commercial Code, and described in section 2.4.2 (Remuneration of corporate officers in 2021) of this Universal Registration Document.

Thirteenth resolution

(APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN RESPECT OF THE 2021 FINANCIAL YEAR TO PASCAL GRANGÉ, DEPUTY CHIEF EXECUTIVE OFFICER FROM 17 FEBRUARY 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or awarded in respect of the year ended 31 December 2021 to Pascal Grangé, in his capacity as Deputy Chief Executive Officer from 17 February 2021, as presented in the Report on corporate governance specified in Article L. 225-37 of the Commercial Code, and described in section 2.4.2 (Remuneration of corporate officers in 2021) of this Universal Registration Document.

Fourteenth resolution

(APPROVAL OF THE COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN RESPECT OF THE 2021 FINANCIAL YEAR TO EDWARD BOUYGUES, DEPUTY CHIEF EXECUTIVE OFFICER FROM 17 FEBRUARY 2021)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or awarded in respect of the year ended 31 December 2021 to Edward Bouygues, in his capacity as Deputy Chief Executive Officer from 17 February 2021, as presented in the Report on corporate governance specified in Article L. 225-37 of the Commercial Code, and described in section 2.4.2 (Remuneration of corporate officers in 2021) of this Universal Registration Document.

Resolutions 15 to 20 – Renewal of the terms of office of five directors and appointment of one director

The Board meeting of 23 February 2022 deliberated, in light of a report from the Selection and Remuneration Committee, on the changes in the composition of the Board that will be put to a shareholder vote at the forthcoming Annual General Meeting on 28 April 2022.

The Board of Directors, acting on a recommendation from the Selection and Remuneration Committee, is asking you to:

- Renew the terms of office of three directors, Olivier Bouygues, SCDM and SCDM Participations, for three years **(resolutions 15 to 17)**.
- Renew the terms of office of two independent directors, Clara Gaymard and Rose-Marie Van Lerberghe, for three years **(resolutions 18 and 19)**.
- Appoint Félicie Burelle as a director for three years, replacing Colette Lewiner **(resolution 20)**.

As Managing Director of Compagnie Plastic Omnium, Félicie Burelle will bring to the Board her expertise in finance as well as her knowledge of the sector of industry.

The Board of Directors has indicated that it regards Félicie Burelle as being independent in light of the independence criteria of the Afep-Medef Code, to which Bouygues refers.

Fifteenth resolution

(RENEWAL OF THE TERM OF OFFICE OF OLIVIER BOUYGUES AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby renews the term of office of Olivier Bouygues as a director for three years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Sixteenth resolution

(RENEWAL OF THE TERM OF OFFICE OF SCDM AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby renews the term of office of SCDM as a director for three years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Seventeenth resolution

(RENEWAL OF THE TERM OF OFFICE OF SCDM PARTICIPATIONS AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby renews the term of office of SCDM Participations as a director for three years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Eighteenth resolution

(RENEWAL OF THE TERM OF OFFICE OF CLARA GAYMARD AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby renews the term of office of Clara Gaymard as a director for three years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Nineteenth resolution

(RENEWAL OF THE TERM OF OFFICE OF ROSE-MARIE VAN LERBERGHE AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby renews the term of office of Rose-Marie Van Lerberghe as a director for three years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Twentieth resolution

(APPOINTMENT OF FÉLICIE BURELLE AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Board of Directors' report, hereby appoints Félicie Burelle as a director for three years. Félicie Burelle's term of office shall expire at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Resolutions 21 and 22 – Renewal of the terms of office of two directors representing employee shareholders

In **resolutions 21 and 22**, we propose that you renew the terms of office of two directors representing employee shareholders on the Board of Directors.

In accordance with applicable law and with Article 13.1 of the articles of association, two directors representing employee shareholders must be elected by a general meeting on the recommendation of the Supervisory Boards of the employee share ownership funds set up as part of Bouygues group employee savings schemes.

The candidates elected by the Supervisory Board of the employee share ownership funds are Raphaëlle Deflesselle (**resolution 21**) and Michèle Vilain (**resolution 22**).

Acting on a recommendation from the Selection and Remuneration Committee, the Board of Directors is asking you to renew their terms of office for three years.

Twenty-first resolution

(RENEWAL OF THE TERM OF OFFICE OF RAPHAËLLE DEFLESSELLE AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby renews the term of office of Raphaëlle Deflesselle as a director for three years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Twenty-second resolution

(RENEWAL OF THE TERM OF OFFICE OF MICHÈLE VILAIN AS A DIRECTOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby renews the term of office of Michèle Vilain as a director representing employee shareholders for three years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for 2024.

Resolution 23 – Reappointment of a principal auditor

The term of office of Mazars as a principal auditor expires at the end of the Annual General Meeting of 28 April 2022.

The Audit Committee conducted a process during 2020 aimed at ensuring audit continuity.

Consequently, in **resolution 23**, the Board of Directors is asking you to reappoint this principal auditor for a term of six financial years, expiring at the end of the Ordinary General Meeting called to approve the financial statements for the 2027 financial year.

In accordance with the provisions of Article L. 823-1 of the Commercial Code and the articles of association, the Board of Directors, acting on a recommendation from the Audit Committee, has decided not to renew the appointment of Philippe Castagnac (Mazars group) as an alternate auditor, which expires at the end of the Annual General Meeting of 28 April 2022.

Twenty-third resolution

(REAPPOINTMENT OF MAZARS AS A PRINCIPAL AUDITOR)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings and having acquainted itself with the Board of Directors' report, hereby reappoints Mazars (a company with its registered office at 61 rue Henri Regnault, 92075 Paris-La Défense, France) as a principal auditor for a term of six financial years, expiring at the end of the Annual General Meeting called in 2028 to approve the financial statements for 2027.

Resolution 24 – Authorisation for the company to buy back its own shares

As we do each year, we are asking you to renew the authorisation that allows the company to repurchase its own shares as part of a share buyback programme.

Objectives authorised

This authorisation would cover the following objectives:

1. reduce the share capital by cancelling shares under the conditions laid down by law, subject to authorisation by the Extraordinary General Meeting;
2. fulfil the obligations arising from debt securities, in particular securities that grant the right to the allotment of company shares via redemption, conversion, exchange, presentation of a warrant or otherwise;
3. grant or sell shares to employees or corporate officers of the company or related companies, in particular as part of profit-sharing schemes, stock option plans, company savings schemes and Group savings schemes or through allotment of shares;
4. improve market liquidity and the regularity of listings of the company's equity securities and avoid price discrepancies not supported by market trends, by implementing a liquidity contract managed by an investment service provider acting in compliance with a market practice accepted by the AMF;
5. retain shares and, as the case may be, deliver them subsequently as a medium of payment or exchange in an acquisition, merger, spin-

off or asset-for-share exchange, in accordance with applicable regulations;

6. implement any market practice accepted by the AMF and generally carry out any other transaction in compliance with applicable regulations.

The Board of Directors decided at its meeting of 23 February 2022 to restrict the objectives of the share buyback programme to points 1, 3 and 4 above. The Board nonetheless reserved the right to extend the programme to include other objectives, in which case the company would inform the market.

In accordance with law, the share buybacks may be carried out at any time, including during the period of a public offer for the company's shares. It is important that the company should be able, even during the period of a public offer, to buy back its own shares with a view to achieving the objectives of the buyback programme.

In 2021, the following transactions in Bouygues shares took place:

- 3,975,502 shares were purchased and 1,224,060 shares sold, mainly through a service provider acting under the terms of a liquidity contract.

The authorisation is granted subject to the following upper limits:

Ceilings

- 5% of the share capital;
- maximum repurchase price: €55 per share;
- maximum budget: €1 billion.

Duration of authorisation

Eighteen months.

Twenty-fourth resolution

(AUTHORISATION TO THE BOARD OF DIRECTORS TO TRADE IN THE COMPANY'S SHARES, FOR A PERIOD OF EIGHTEEN MONTHS)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to Article L. 22-10-62 of the Commercial Code, and having acquainted itself with the Board of Directors' report including its description of the share buyback programme:

1. authorises the Board of Directors to repurchase or arrange for the repurchase by the company of its own shares, under the conditions set out below, shares representing no more than 5% of the company's share capital at the date on which the authorisation is used, in compliance with the legal and regulatory conditions applicable at that date;
2. resolves that this authorisation may be used for the purposes listed below, in relation to (i) a market practice accepted by the AMF, (ii) an objective specified in Article 5 of Commission Regulation (EU) No. 596/2014 on market abuse, or (iii) an objective mentioned in Article L. 22-10-62 of the Commercial Code:

- a) reduce the share capital by cancelling shares under the conditions laid down by law, subject to authorisation by the Extraordinary General Meeting,
 - b) fulfil the obligations arising from debt securities, in particular securities that grant the right to the allotment of company shares via redemption, conversion, exchange, presentation of a warrant or otherwise,
 - c) grant or sell shares to employees or corporate officers of the company or related companies, in particular as part of profit-sharing schemes, stock option plans, company savings schemes and Group savings schemes or through allotment of shares,
 - d) improve market liquidity and the regularity of listings of the company's equity securities and avoid price discrepancies not supported by market trends, by implementing a liquidity contract managed by an investment service provider acting in compliance with a market practice accepted by the AMF,
 - e) retain shares and, as the case may be, deliver them subsequently as a medium of payment or exchange in an acquisition, merger, spin-off or asset-for-share exchange, in accordance with applicable regulations,
 - f) implement any market practice accepted by the AMF and generally carry out any other transaction in compliance with applicable regulations;
3. resolves that the acquisition, sale, transfer or exchange of such shares may be carried out, on one or more occasions, in compliance with rules issued by the AMF in its Position-Recommendation DOC-2017-04, on all markets or off-market, including on Multilateral Trading Facilities (MTFs) or via a systematic internaliser, or over-the-counter, in any manner, including through the acquisition or sale of blocks of shares, using derivative financial instruments and at any time, including during the period of a public offer for the company's shares. All or part of the programme may be carried out through block trades;
 4. resolves that the maximum purchase price be set at €55 (fifty-five euros) per share, subject to any adjustments in connection with share capital transactions. If the share capital is increased by incorporating share premium, earnings or reserves into capital and by allotment of shares free of charge, or in the event of a stock split or reverse stock split, the price indicated above shall be adjusted by a multiplication factor equal to the ratio of the number of shares making up the share capital before the transaction to the number of shares after the transaction;
 5. sets at €1,000,000,000 (one billion euros) the maximum amount of funds that can be used for the share buyback programme thus authorised;
 6. notes that, in accordance with law, the total shares held at any given date may not exceed 10% of the share capital in issue at that date;
 7. gives full powers to the Board of Directors, with power to sub-delegate in accordance with law, to implement this authorisation, place all stock market orders, conclude all agreements, in particular with a view to the registration of purchases and sales of shares, complete all steps, declarations and formalities with the AMF and any other body, and in general, take all necessary measures to execute the decisions taken within the scope of this authorisation;
 8. resolves that the Board of Directors shall inform the Annual General Meeting of the transactions carried out, in accordance with applicable regulations;
 9. sets the period of validity of this authorisation, which voids and replaces any unused portion of any previous authorisation granted for the same purpose, at eighteen months from the date of this meeting.

7.2.2 Extraordinary General Meeting

Resolution 25 – Allows the Board to reduce the share capital by cancelling shares

Purpose of the authorisation

To allow the Board of Directors, if it deems fit, to reduce the share capital, on one or more occasions, by cancelling some or all of the shares held by the company as a result of using any share buyback authorisation given by the Annual General Meeting, particularly under resolution 24 submitted to this Annual General Meeting for approval.

Cancelling shares makes it possible, if the Board of Directors deems fit, to offset the dilution for shareholders resulting from the creation of new shares, for example shares issued under employee share ownership plans or on the exercise of stock options.

Ceiling

10% of the share capital in any 24-month period.

Duration of the authorisation

Eighteen months.

Twenty-fifth resolution

(AUTHORISATION TO THE BOARD OF DIRECTORS, FOR A PERIOD OF EIGHTEEN MONTHS, TO REDUCE THE SHARE CAPITAL BY CANCELLING TREASURY SHARES HELD BY THE COMPANY)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings pursuant to Article L. 22-10-62 of the Commercial Code, and having acquainted itself with the Board of Directors' report and the auditors' report:

1. authorises the Board of Directors to cancel, at its sole discretion, on one or more occasions, some or all of the shares that the company holds or may hold as a result of utilising the various share buyback authorisations given by the Annual General Meeting to the Board of Directors, up to a limit in any twenty-four month period of 10% of the total number of shares making up the company's share capital at the date of the transaction;
2. authorises the Board of Directors to charge the difference between the purchase value of the cancelled shares and their par value to all available share premium and reserve accounts;

3. delegates to the Board of Directors, with power to sub-delegate in accordance with law, full powers to carry out the capital reduction(s) resulting from cancellations of shares authorised by this resolution, to have the corresponding accounting entries made, to amend the articles of association accordingly, and generally to attend to all necessary formalities;
4. sets the period of validity of this authorisation, which voids and replaces any unused portion of any previous authorisation granted for the same purpose, at eighteen months from the date of this meeting.

Resolution 26 – Allows the Board to increase the share capital for the benefit of employees

Purpose of the delegation of competence

To delegate to the Board of Directors the competence to increase the share capital for the benefit of employees or corporate officers of Bouygues (and of French or foreign companies related to Bouygues) who are members of a company and/or Group savings scheme, with cancellation of shareholders' pre-emptive rights in favour of the employees and corporate officers for whom the capital increase is reserved.

Bouygues is convinced that it is important to enable employees who so wish to become shareholders in the company. Employee savings schemes and reserved capital increases give employees an opportunity to build up their savings and give them a direct stake and role in the orderly running of the Group, which helps to increase their commitment and motivation. For that reason, the company has implemented a dynamic employee share ownership policy.

Following the capital increases carried out in 2015, 2016, 2017, 2018 and 2019, the leveraged funds set up in association with the employee share ownership plans held 6.08% of the share capital and 9.02% of the voting rights at 31 December 2021.

Setting the subscription price

In accordance with the Labour Code, the subscription price for the new shares may not be more than the average of the quoted prices for the share on the Euronext Paris market during the twenty trading days preceding the date of the decision setting the opening date for subscriptions, or more than the maximum legally stipulated percentage below that average.

Ceiling

Capital increase: 5% of the share capital.

Duration of the delegation of competence

Twenty-six months.

Twenty-sixth resolution

(DELEGATION OF COMPETENCE TO THE BOARD OF DIRECTORS, FOR A PERIOD OF TWENTY-SIX MONTHS, TO INCREASE THE SHARE CAPITAL, WITHOUT PRE-EMPTIVE RIGHTS FOR EXISTING SHAREHOLDERS, FOR THE BENEFIT OF EMPLOYEES OR CORPORATE OFFICERS OF THE COMPANY OR RELATED COMPANIES WHO ARE MEMBERS OF A COMPANY SAVINGS SCHEME)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings and having acquainted itself with the Board of Directors' report and the auditors' special report, and in accordance with the provisions of (i) the Commercial Code and in particular Articles L. 225-129-2, L. 225-129-6 (paragraph 1) and L. 225-138-1, and (ii) Articles L. 3332-1 et seq of the Labour Code:

1. delegates to the Board of Directors the competence to carry out one or more capital increases, at its own initiative, in such amounts and at such times as it deems fit, of up to 5% of the company's share capital on the day of the Board of Directors' decision, by issuing ordinary shares or securities giving access to the capital subject to applicable law; reserved for employees and corporate officers of Bouygues and for employees and corporate officers of all French and foreign companies related to Bouygues within the meaning of applicable law, who are members of any company or Group savings scheme or any inter-company savings scheme;
2. resolves that the subscription price for the new shares set by the Board of Directors or its delegate in accordance with the provisions of Article L. 3332-19 of the Labour Code at the time of each issue may not be more than the average of the initial quoted prices for the share on the Euronext Paris market during the twenty trading days preceding the date of the decision setting the opening date for subscriptions, or more than the maximum legally stipulated percentage below the average;
3. notes that this resolution entails the cancellation of the shareholders' pre-emptive rights in favour of the employees and corporate officers for whom the capital increase is reserved, and the waiver of any entitlement to the shares or other securities giving access to the capital that are allotted free of charge pursuant to this resolution;
4. delegates full powers to the Board of Directors to:
 - a) set the date and terms and conditions of the issues to be made pursuant to this resolution and in particular, decide whether the shares shall be subscribed directly or through a mutual fund or through another entity in accordance with applicable law; decide and set the terms for issuing other securities giving access to the capital, pursuant to the delegation given in point 1 above; set the issue price of the new shares to be issued in compliance with the above rules; set opening and closing dates for subscriptions and the dates of first entitlement to dividends; set the payment period, subject to a maximum period of three years; and set, where appropriate, the maximum number of shares that can be subscribed per employee and per issue,

- b) confirm that the capital increases have taken place, at an amount equal to the amount of shares actually subscribed for,
 - c) carry out all transactions and formalities, directly or through an agent,
 - d) amend the articles of association to reflect the capital increases,
 - e) charge the expenses of the capital increases against the share premium arising on each increase and deduct from such amount the sums required to raise the legal reserve to one-tenth of the new share capital following each increase,
 - f) generally take all necessary measures. The Board of Directors may, within the limits set by law and any limits predetermined by the Board of Directors, delegate to the Chief Executive Officer or, with his consent, to one or more Deputy Chief Executive Officers, the powers granted to it under this resolution;
5. sets the period of validity of this delegation, which voids any unused portion of any previous delegation granted for the same purpose, at twenty-six months from the date of this meeting.

Resolution 27 – Allows the Board to allot shares free of charge to employees or corporate officers

For the first time in 2021, the Group implemented a performance share plan aimed at incentivising employees in line with the performance of the company.

In order to maintain this policy for the allotment of shares free of charge, we are asking you to renew the existing authorisation. Subject to closing of the proposed acquisition of Equans, this authorisation would also allow for the introduction of a specific and complementary long-term remuneration package in the form of the allotment of shares free of charge. The characteristics of that package are described in section 2.4.1 of this Universal Registration Document.

How allotments of shares free of charge work

If this authorisation is used, the beneficiaries will not acquire ownership of the shares until the end of a minimum vesting period set by the Annual General Meeting, which may not be less than one year.

The vesting period may then be followed by a lock-up period set by the Board, during which the beneficiaries may not sell their shares. The cumulative length of the vesting period and any lock-up period may not be less than two years. The law allows exemptions to the vesting and lock-up periods in the event of death or disability.

The Board may, on a proposal from the Selection and Remuneration Committee, make allotments of shares free of charge wholly or partially contingent on one or more performance conditions.

Ceilings

1% of the share capital.

Shares allotted free of charge to the Executive Officers of Bouygues may not represent more than 0.15% of the share capital in total.

Duration of the authorisation

Twenty-six months.

Twenty-seventh resolution

(AUTHORISATION TO THE BOARD OF DIRECTORS, FOR A PERIOD OF TWENTY-SIX MONTHS, TO ALLOT EXISTING OR NEW SHARES FREE OF CHARGE, ENTAILING THE WAIVER BY SHAREHOLDERS OF THEIR PRE-EMPTIVE RIGHTS, IN FAVOUR OF EMPLOYEES OR CORPORATE OFFICERS OF THE COMPANY OR RELATED COMPANIES)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings, having acquainted itself with the Board of the Directors' report and the auditors' special report, and in accordance with Articles L. 225-197-1 et seq and L. 22-10-59 et seq of the Commercial Code:

1. authorises the Board of Directors to allot free of charge, on one or more occasions, existing or new shares in the company to the beneficiaries indicated below;
2. resolves that the beneficiaries of those shares, whom the Board of Directors shall designate, may include all or certain categories of salaried employees and/or all or certain corporate officers of Bouygues or of companies and economic interest groupings that are related to Bouygues within the meaning of Article L. 225-197-2 of the Commercial Code;
3. resolves that under this authorisation, the Board of Directors may allot a total number of shares representing up to 1% of the existing share capital of the company (on the day of the Board of Directors' decision);
4. resolves in particular that the total number of shares allotted free of charge to Executive Officers of the company pursuant to this authorisation shall not represent more than 0.15% of the company's share capital on the day of the Board of Directors' decision;
5. resolves that the allotment of shares to beneficiaries shall only become definitive at the end of a vesting period, which shall be determined by the Board of Directors but may not be less than one year;
6. resolves that the Board of Directors may also set a minimum lock-up period for beneficiaries, starting from the date on which the shares are definitively allotted;
7. stipulates that, in accordance with law, the cumulative length of the vesting period and any lock-up period may not be less than two years;
8. resolves that shares allotted free of charge shall be allotted immediately, prior to the end of the vesting period, in the event of a category two or three disability suffered by the beneficiary as defined in Article L. 341-4 of the Social Security Code, in which case the lock-up period shall also end immediately;
9. authorises the Board of Directors to use existing or future authorisations granted by the Annual General Meeting, in accordance with the provisions of Article L. 22-10-62 of the Commercial Code;
10. notes that this authorisation entails the automatic waiver by shareholders of their pre-emptive rights to subscribe for ordinary shares issued as and when the shares are definitively allotted, and of any entitlement to ordinary shares allotted free of charge under this authorisation, in favour of the beneficiaries of the shares thereby allotted;

11. resolves that the Board of Directors shall have full powers to implement this authorisation in accordance with legal and regulatory requirements, and in particular to:
 - a) determine the conditions and any criteria for the allotment of new or existing shares, and draw up the list or categories of beneficiaries,
 - b) determine the length of service conditions that beneficiaries must fulfil;
 - c) allow for the possibility of temporarily suspending allotment rights;
 - d) set all the other terms and conditions under which the shares will be allotted;
 - e) accomplish or arrange for the accomplishment of all acts or formalities necessary to carry out share buybacks and/or complete capital increase(s) that may be carried out pursuant to this authorisation, amend the articles of association accordingly, and in general take all necessary steps, with power to sub-delegate in accordance with law;
12. sets the period of validity of this authorisation at twenty-six months from the date of this meeting;
13. notes that this authorisation voids, from this day, any unused portion of any previous authorisation granted for the same purpose.

Resolution 28 – Allows the Board to issue equity warrants free of charge during the period of a public offer for the company's shares

Purpose of the delegation of competence

To delegate to the Board of Directors the competence to issue, if it deems fit, equity warrants during a public offer for the company's shares, with waiver of pre-emptive rights to the ordinary shares in the company to which those warrants would give entitlement.

This means that equity warrants giving entitlement to subscribe on preferential terms to Bouygues shares could be allotted free of charge to all existing shareholders prior to the expiry of an unsolicited public offer period.

This mechanism is designed to encourage the bidder to either withdraw its offer or make an improved offer for the company. Because warrants dilute the capital, a bidder will respond either by seeking to withdraw its offer, or by negotiating with the Board of Directors with a view to reaching a consensus on a fair valuation of the company such that the warrants would effectively lapse. Issuing equity warrants during the period of a public offer is a measure designed to prevent, or at the very least hinder, an attempted public offer. In particular, the Board of Directors can use warrants as a bargaining counter to encourage a bidder to improve the terms of its offer, in the interests of the company's shareholders.

However, the powers thereby granted to the Board of Directors are not unlimited. During the public offer period, the bidder and target company must ensure that their actions, decisions and statements do not compromise the best interests of the company, or the fair treatment and access to information of the shareholders of the companies concerned. In addition, if the Board of Directors of the target company takes a decision which is liable to frustrate the offer if implemented, it must inform the AMF (Article 231-7 of the AMF General Regulation).

This resolution must be decided on a simple majority of the votes cast.

Ceilings

Capital increase: €95,000,000 in nominal value or 25% of the share capital at 31 December 2021.

The number of equity warrants is capped at one-quarter of the number of existing shares and at 95,000,000.

Duration of the delegation of competence

Eighteen months.

Twenty-eighth resolution

(DELEGATION OF COMPETENCE TO THE BOARD OF DIRECTORS, FOR A PERIOD OF EIGHTEEN MONTHS, TO ISSUE EQUITY WARRANTS DURING THE PERIOD OF A PUBLIC OFFER FOR THE COMPANY'S SHARES, UP TO A LIMIT OF 25% OF THE SHARE CAPITAL)

The Annual General Meeting, in extraordinary session but having satisfied the quorum and majority requirements for ordinary general meetings, in accordance with the provisions of Article L. 233-32 II of the Commercial Code, and having acquainted itself with the Board of Directors' report and the auditors' report:

1. delegates to the Board of Directors its competence to issue on one or more occasions, during the period of a public offer for the company's shares, warrants giving entitlement to subscribe on preferential terms for one or more shares in the company, and to allot such warrants free of charge to all shareholders who hold shares in the company prior to expiry of the offer period. Such warrants will lapse automatically as soon as the offer and any other competing offer has failed, lapsed or been withdrawn;
2. resolves that the capital increase that may result from the exercise of such equity warrants may not exceed either (i) one-quarter of the number of shares comprising the share capital at the time the warrants are issued, or (ii) a nominal amount of €95,000,000 (ninety-five million euros), and that the maximum number of equity warrants that may be issued may not exceed one-quarter of the number of shares comprising the share capital at the time the warrants are issued or 95,000,000 (ninety-five million);
3. resolves that the Board of Directors shall have full powers, with power to sub-delegate in accordance with law, to determine the conditions of exercise of the equity warrants, which must relate to the terms of the offer or any other competing offer, and the other characteristics of the warrants, such as the exercise price or the terms for determining the exercise price, and more generally the characteristics and terms of any issue decided under this delegation;
4. notes that this delegation entails the waiver by shareholders of their pre-emptive rights to those ordinary shares in the company to which any warrants issued pursuant to this delegation may give entitlement;
5. sets the period of validity of this delegation, which voids and replaces any unused portion of any previous delegation granted for the same purpose, at eighteen months from the date of this meeting.

Resolution 29 – Powers to accomplish formalities

The purpose of this resolution is to enable all legal and administrative formalities, and all filings and publications, to be carried out.

Twenty-ninth resolution

(POWERS TO ACCOMPLISH FORMALITIES)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings, gives full powers to the bearer of an original, excerpt or copy of the minutes of this Annual General Meeting to accomplish all legal formalities and to make all necessary filings, publications and declarations stipulated by applicable legal and regulatory provisions.

7.2.3 Financial authorisations submitted for approval by the Annual General Meeting

The table below sets out the financial authorisations that shareholders will be asked to grant to the Board of Directors at the Annual General Meeting of 28 April 2022.

In accordance with Article L. 225-37-4, paragraph 3 of the Commercial Code, a table showing financial authorisations to increase the share capital conferred on the Board of Directors by the Annual General Meeting that are

currently in force, and the use made of such authorisations during 2020, is provided in the Report on corporate governance (chapter 2, section 2.3.8 of this Universal Registration Document).

The authorisations listed in the table below replace any previous resolutions with the same purpose.

Purpose of the authorisation	Ceiling (nominal amount)	Period of validity
Share buybacks and reductions of share capital		
1. Allow the company to buy back its own shares (Resolution 24)	5% of the share capital, maximum price €55 per share, total cost capped at €1 billion	29 October 2023 (18 months)
2. Reduce the share capital by cancelling shares (Resolution 25)	10% of the share capital in any 24-month period	29 October 2023 (18 months)
Issues reserved for employees and corporate officers of Bouygues and related companies		
3. Increase the share capital for the benefit of employees or corporate officers who are members of a company savings scheme (Resolution 26)	5% of the share capital	29 June 2024 (26 months)
4. Allot shares free of charge (Resolution 27)	<ul style="list-style-type: none"> 1% of the share capital Executive Officers: 0.15% of the share capital 	29 June 2024 (26 months)
Issuance of securities		
5. Issue equity warrants during the period of a public offer (Resolution 28)	<ul style="list-style-type: none"> Capital increase: €95 million nominal value and 25% of share capital The number of warrants is capped at one quarter of the number of existing shares and at 95 million 	29 October 2023 (18 months)

7.3 AUDITORS' REPORTS

7.3.1 Auditors' special report on regulated agreements

(Annual General Meeting called to approve the financial statements for the year ended 31 December 2021)

To the Annual General Meeting of the shareholders of Bouygues,

In our capacity as auditors of your company, we present below our report on regulated agreements.

We are required to report to you, based on the information provided, on the main terms and conditions of the agreements that have been disclosed to us or which were brought to light as a result of our assignment, as well as the reasons justifying the benefit of those agreements for the company. We are not required to comment on their usefulness or substance, or to determine whether other such agreements exist. It is your responsibility to determine whether these agreements are appropriate and should be approved, in accordance with the terms of Article R. 225-31 of the Commercial Code.

We are also required to report to you the information required under Article R. 225-31 of the Commercial Code regarding transactions carried out during the last financial year under agreements already approved by previous Annual General Meetings.

We performed the procedures we considered necessary in accordance with the professional standards issued by the French statutory auditors' board, the CNCC, for this type of engagement. Those procedures involved ensuring that the information disclosed to us was consistent with the source documents from which it was taken.

Agreements submitted to the Annual General Meeting for approval

Agreements authorised during the last financial year

Pursuant to Article L. 225-40 of the Commercial Code, we have been informed of the following agreements entered into during the year ended 31 December 2021, which were approved by the Board of Directors prior to signature.

1) Shared service agreements between Bouygues and the main subsidiaries

NATURE AND PURPOSE

At its 15 November 2021 meeting, the Board of Directors authorised the renewal of the shared service agreements with the main subsidiaries, for a period of one year starting 1 January 2022.

TERMS, CONDITIONS AND IMPLEMENTATION

The principle behind these agreements is based on rules for allocating and invoicing the cost of shared services, including specific services and a share of residual costs, up to a limit expressed as a percentage of sales of the subsidiary concerned. The share of residual costs is invoiced to the subsidiary concerned at cost plus a margin of 10% for high value-added services and 5% for low value-added services.

The renewal of these agreements had no financial impact on the 2021 financial year. It will impact the 2022 financial year.

REASONS JUSTIFYING THE BENEFIT OF THESE AGREEMENTS FOR BOUYGUES

The Board of Directors provided the following reasons justifying these agreements: shared service agreements are standard in groups of companies. They enable subsidiaries (in return for a fee) to benefit from services and assistance provided by the parent company (principally management, human resources, information technology, and financial and legal services), and to allocate the corresponding expenses between the various user companies.

PERSONS CONCERNED

- Colas: Olivier Roussat, Olivier Bouygues and Colette Lewiner (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Colas).
- TF1: Olivier Roussat and Olivier Bouygues (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of TF1).
- Bouygues Telecom: Edward Bouygues, Olivier Roussat and Olivier Bouygues (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Telecom).

2) Service agreement with SCDM

NATURE AND PURPOSE

At its 15 November 2021 meeting, the Board of Directors authorised the renewal of the service agreement, which covers the services described below, for a period of one year starting 1 January 2022.

The purpose of this agreement is to determine the conditions under which SCDM supplies Bouygues with certain services (research and analysis into strategic developments and the growth of the Bouygues group, multi-year plans, major investments and divestments).

SCDM may also supply Bouygues with specific services other than those provided as part of its ongoing role.

For its part, Bouygues provides SCDM with specific assistance and support services, principally cash management, human resources management, information technology support.

TERMS, CONDITIONS AND IMPLEMENTATION

Under the terms of this agreement, SCDM invoices Bouygues for costs actually incurred, subject to a cap of €2 million a year:

- Salaries, to an amount corresponding to:
 - the remuneration awarded to Martin Bouygues by the Bouygues Board of Directors, at the proposal of the Selection and Remuneration Committee, for his duties as corporate officer;
 - remuneration paid to his teams as consideration for assignments carried out for Bouygues, as well as the corresponding tax and social security charges;
- Specific services invoiced at arm's length rates.

Similarly, the specific services Bouygues provides to SCDM are invoiced at arm's length rates.

The renewal of this agreement had no financial impact on the 2021 financial year. It will impact the 2022 financial year.

REASONS JUSTIFYING THE BENEFIT OF THIS AGREEMENT FOR BOUYGUES

The Board of Directors provided the following reasons justifying this agreement: this agreement enables Bouygues to benefit from the services of Martin Bouygues and of the members of the small group that supports him by conducting the research and analysis mentioned above as well as various specific services for the benefit of Bouygues.

This agreement also enables Bouygues to be remunerated by SCDM at market rates for the various specific services that Bouygues carries out on behalf of SCDM.

PERSONS CONCERNED

- Martin Bouygues (Chairman), Olivier Bouygues (director), Edward Bouygues (standing representative of SCDM on the Board of Directors of Bouygues), Cyril Bouygues (standing representative of SCDM Participations on the Board of Directors of Bouygues).

3) Group tax election agreements

NATURE AND PURPOSE

At its 17 February 2021 meeting, the Board of Directors authorised the renewal of group tax election agreements entered into with Bouygues Construction and Colas for a period of five years starting 1 January 2022.

REASONS JUSTIFYING THE BENEFIT OF THESE AGREEMENTS FOR BOUYGUES

The Board of Directors provided the following reasons justifying these agreements: these agreements enable Bouygues to determine a consolidated taxable profit figure for the Group and to assume sole liability for the resulting corporate income tax.

PERSONS CONCERNED

- Bouygues Construction: Olivier Roussat (director), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Construction).
- Colas: Olivier Roussat, Olivier Bouygues and Colette Lewiner (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Colas).

Agreements authorised and signed since the end of the financial year

We have been informed of the following agreement, authorised and signed after 31 December 2021, which was approved by the Board of Directors prior to signature.

Amendment to the internal audit service agreement with Bouygues Telecom

NATURE AND PURPOSE

At its 19 January 2022 meeting, the Board of Directors authorised the signature of a seventh amendment to the internal audit service agreement with Bouygues Telecom, to extend it to 30 June 2022; the other conditions of the contract remain unchanged.

TERMS, CONDITIONS AND IMPLEMENTATION

This amendment had no financial impact on the 2021 financial year. It will impact the 2022 financial year, based on a flat fee of €180,000 excluding VAT payable to Bouygues.

REASONS JUSTIFYING THE BENEFIT OF THIS AGREEMENT FOR BOUYGUES

The Board of Directors provided the following reasons justifying this agreement: this agreement enables Bouygues to set terms for the execution and remuneration of internal audit services that are provided to its subsidiary Bouygues Telecom and contribute to the smooth operation of that subsidiary.

PERSONS CONCERNED

- Bouygues Telecom: Edward Bouygues, Olivier Roussat and Olivier Bouygues (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Telecom).

Agreements already approved by an Annual General Meeting

Agreements approved in previous years

a) Under which transactions continued during the last financial year

Pursuant to Article R. 225-30 of the Commercial Code, we were informed that transactions under the following agreements, which had already been approved by previous Annual General Meetings, continued during the last financial year.

1) Shared service agreements between Bouygues and its subsidiaries

NATURE AND PURPOSE

The Combined Annual General Meeting of 22 April 2021 approved the renewal of shared service agreements between Bouygues and Bouygues Construction, Colas, TF1 and Bouygues Telecom, under which Bouygues provides services (principally management, human resources, information technology and financial services) to its various sub-groups, for a period of one year starting 1 January 2021.

TERMS, CONDITIONS AND IMPLEMENTATION

The principle behind these agreements is based on rules for allocating and invoicing the cost of shared services, including specific services and a share of residual costs, up to a limit expressed as a percentage of sales of the subsidiary concerned. The share of residual costs is invoiced to the subsidiary concerned at cost plus a margin of 10% for high value-added services and 5% for low value-added services.

In 2021, Bouygues invoiced the following amounts under these shared service agreements:

€	Amount excluding VAT
Bouygues Construction	18,853,546
Colas	18,317,188
TF1	3,504,293
Bouygues Telecom	10,934,315

PERSONS CONCERNED

- Bouygues Construction: Olivier Roussat (director), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Construction).
- Colas: Olivier Roussat, Olivier Bouygues and Colette Lewiner (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Colas).
- TF1: Olivier Roussat and Olivier Bouygues (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of TF1).
- Bouygues Telecom: Edward Bouygues, Olivier Roussat and Olivier Bouygues (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Telecom).

In accordance with the authorisation of the Board of Directors of 18 November 2020.

2) Service agreement with SCDM

NATURE AND PURPOSE

The Combined Annual General Meeting of 22 April 2021 approved the renewal of the service agreement between Bouygues and SCDM for a period of one year starting 1 January 2021.

TERMS, CONDITIONS AND IMPLEMENTATION

Under this agreement, SCDM invoiced Bouygues €1,642,000 in 2021, giving total billings of €3,211,000 after adjusting for items relating to the 2020 financial year totalling €1,569,000.

In accordance with a letter agreement dated 1 February 2021, an additional service relating to the strategy for Unify was invoiced to Bouygues for an amount of €320,000.

For its part, Bouygues invoiced SCDM approximately €440,000 excluding VAT at the end of December 2021.

PERSONS CONCERNED

- SCDM: Martin Bouygues (Chairman), Olivier Bouygues (director), Edward Bouygues (standing representative of SCDM on the Board of Directors of Bouygues), Cyril Bouygues (standing representative of SCDM Participations on the Board of Directors of Bouygues).

In accordance with the authorisation of the Board of Directors of 18 November 2020.

3) Amendment to the internal audit service agreement with Bouygues Telecom

NATURE AND PURPOSE

The Combined Annual General Meeting of 22 April 2021 approved the signature of a sixth amendment to the 1 September 2014 internal audit service agreement between Bouygues and Bouygues Telecom, extending it to 31 December 2021, based on a flat fee of €350,000 payable to Bouygues; the other conditions of the contract remaining unchanged.

TERMS, CONDITIONS AND IMPLEMENTATION

The remuneration payable to Bouygues in consideration for the services was a flat fee of €350,000 excluding VAT for the year ended 31 December 2021.

PERSONS CONCERNED

- Bouygues Telecom: Edward Bouygues, Olivier Roussat and Olivier Bouygues (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Telecom).

In accordance with the authorisation of the Board of Directors of 18 November 2020.

4) Trademark licence agreement entered with GIE 32 Hoche

NATURE AND PURPOSE

The Combined Annual General Meeting of 26 April 2018 approved the signature of a trademark licence agreement granting GIE 32 Hoche, owned 90% by Bouygues and 10% by SCDM, non-exclusive rights to use the Bouygues trademark in France for fifteen years from the date of signature of the agreement, i.e. 16 November 2017.

TERMS, CONDITIONS AND IMPLEMENTATION

Bouygues receives an annual fee of €1,000 excluding VAT in respect of this agreement.

PERSONS CONCERNED

- SCDM: Martin Bouygues (Chairman), Olivier Bouygues (director), Edward Bouygues (standing representative of SCDM on the Board of Directors of Bouygues), Cyril Bouygues (standing representative of SCDM Participations on the Board of Directors of Bouygues).

In accordance with the authorisation of the Board of Directors of 15 November 2017.

5) Group tax election agreements

NATURE AND PURPOSE

The Combined Annual General Meeting of 27 April 2017 approved the renewal of the group tax election agreements entered into with Bouygues Construction and Colas for a tacitly renewable five-year period from 1 January 2017 to 31 December 2021. For information, those agreements were renewed by the Board of Directors on 17 February 2021 for a further five-year period from 1 January 2022 to 31 December 2026 (see 3 above).

PERSONS CONCERNED

- Bouygues Construction: Olivier Roussat (director), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Construction).

- Colas: Olivier Roussat, Olivier Bouygues and Colette Lewiner (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Colas).

In accordance with the authorisation of the Board of Directors of 15 November 2016.

6) Trademark licence agreements

NATURE AND PURPOSE

Bouygues has entered into trademark licence agreements with certain subsidiaries, including Bouygues Construction and Bouygues Telecom, entitling them to use various trademarks, company names and trade names under specific conditions.

The Combined Annual General Meeting of 26 April 2012 approved the signature of a single trademark licence agreement between Bouygues and Bouygues Construction in respect of the following trademarks: "Bouygues Construction", "Bouygues Bâtiment", "Bouygues Travaux Publics", "Bouygues TP" and the "Ellipse" logo. The Combined Annual General Meeting of 25 April 2013 approved the signature of an amendment to the agreement authorising Bouygues Construction, with no alteration to the fee, to sub-license to its subsidiary Bouygues Energies & Services the right to use the "Bouygues Energies & Services" and "Bouygues E & S" trademarks in France and a number of foreign countries.

This agreement came into force on 1 January 2012 for 15 years, i.e. until 31 December 2026.

TERMS, CONDITIONS AND IMPLEMENTATION

Bouygues invoiced Bouygues Construction €500,000 excluding VAT in respect of this agreement in 2021.

PERSONS CONCERNED

- Bouygues Construction: Olivier Roussat (director), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Construction).

In accordance with the authorisations of the Board of Directors of 6 December 2011 and 29 January 2013.

7) Trademark licence agreement

NATURE AND PURPOSE

The Combined Annual General Meeting of 29 April 2010 approved the conclusion of a trademark licence agreement in respect of the following trademarks: "Bouygues Telecom", "Bouygtel" and "Bouygnet". This agreement came into force on 9 December 2009 for 15 years, i.e. until 9 December 2024. An amendment to this agreement was approved by the Combined Annual General Meeting of 21 April 2016.

TERMS, CONDITIONS AND IMPLEMENTATION

Bouygues invoiced Bouygues Telecom €700,000 excluding VAT in respect of this agreement in 2021.

PERSONS CONCERNED

- Bouygues Telecom: Edward Bouygues, Olivier Roussat and Olivier Bouygues (directors), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Telecom).

In accordance with the authorisations of the Board of Directors of 1 December 2009 and 24 February 2015.

8) Sub-lease agreement concerning the Challenger building

NATURE AND PURPOSE

The Combined Annual General Meeting of 22 April 2000 approved the signature of a sub-lease agreement with Bouygues Construction for part of the Challenger building in Saint-Quentin-en-Yvelines (France). This agreement expired on 31 December 2021.

TERMS, CONDITIONS AND IMPLEMENTATION

Bouygues invoiced Bouygues Construction €82,133.32 excluding VAT in respect of this agreement in 2021.

PERSONS CONCERNED

- Bouygues Construction: Olivier Roussat (director), Pascal Grangé (standing representative of Bouygues on the Board of Directors of Bouygues Construction).

In accordance with the authorisation of the Board of Directors of 4 November 1999.

9) Aircraft charter agreement between Airby and Bouygues

NATURE AND PURPOSE

The Combined Annual General Meeting of 26 April 2012 approved the signature of an aircraft charter agreement, including pilots and flight service fees, with Airby. An amendment to the agreement was approved by the Combined Annual General Meeting of 24 April 2014.

The agreement is for an indefinite period.

This agreement enables senior executives and employees of Bouygues to call upon the services of Airby as needed for business travel purposes. Specifically, it makes it easier for them to travel to places inadequately served by commercial airlines, or to save time when making business trips to several locations in succession. The subsidiaries are charged by Airby on the same fee scale.

TERMS, CONDITIONS AND IMPLEMENTATION

The price per flight hour is revised annually to reflect market prices.

The overall price per flight hour remained unchanged in 2021. The overall price for the aircraft owned by Airby is €7,000 excluding VAT per flight hour. When Airby provides an aircraft that has been rented on the market, the rental is invoiced at cost plus €1,000 excluding VAT, which remunerates the charter service provided.

Airby invoiced Bouygues €195,983.32 excluding VAT in respect of this agreement in 2021.

PERSONS CONCERNED

- SCDM: Martin Bouygues (Chairman), Olivier Bouygues (director), Edward Bouygues (standing representative of SCDM on the Board of Directors of Bouygues), Cyril Bouygues (standing representative of SCDM Participations on the Board of Directors of Bouygues).

In accordance with the authorisations of the Board of Directors of 15 November 2011 and 13 November 2013.

b) Under which no transactions took place during the last financial year

We were also informed of the following ongoing agreements approved by Annual General Meetings in previous years but under which no transactions took place during the last financial year.

Liability for defence costs

The Combined Annual General Meeting of 28 April 2005 approved the principle of Bouygues assuming any defence or procedural costs incurred by Bouygues senior executives or employees in connection with criminal proceedings resulting in discharge or acquittal, where such proceedings are brought against them for acts committed in performance of their duties or

for merely holding office as director, Chairman, Chief Executive Officer, Deputy Chief Executive Officer or any equivalent office in a Group company.

TERMS, CONDITIONS AND IMPLEMENTATION

No amounts were paid in respect of this agreement in 2021.

Paris-La Défense, 23 February 2022
The Statutory Auditors

MAZARS
Gilles Rainaut

ERNST & YOUNG Audit
Nicolas Pfeuty

7.3.2 Other auditors' reports to the Ordinary General Meeting

The other auditors' reports to the Ordinary General Meeting are provided in sections 6.2 (Auditors' report on the consolidated financial statements) and 6.4 (Auditors' report on the parent company financial statements) of this Universal Registration Document.

7.3.3 Auditors' reports to the Extraordinary General Meeting

To the shareholders,

Auditors' report on the reduction of share capital (twenty-fifth resolution)

In our capacity as auditors of Bouygues, and as required under Article L. 22-10-62 of the Commercial Code in the event of a capital reduction by cancelling shares repurchased by the issuer, we present our report to you on our assessment of the reasons for the proposed capital reduction and the terms and conditions thereof.

The Board of Directors is asking you to grant it full powers, for a period of eighteen months from the date of this meeting, to cancel, up to a limit of 10% of the share capital over any twenty-four month period, the shares purchased pursuant to an authorisation given to the company to buy back its own shares within the scope of the aforementioned Article.

We performed the procedures we considered necessary in accordance with the professional standards issued by the French statutory auditors' board, the CNCC, for this type of engagement. Those procedures involved assessing whether the reasons for and the terms and conditions of the proposed capital reduction, which is not of a nature that would impair the equal rights of all shareholders, are proper.

We have no matters to report concerning the reasons for and terms and conditions of the proposed capital reduction.

Auditors' report on issues of shares or securities reserved for members of a company savings scheme (twenty-sixth resolution)

In our capacity as auditors of Bouygues and as required under Articles L. 225-135 et seq of the Commercial Code, we present our report to you on the proposal to delegate to the Board of Directors the competence to decide to carry out issues of shares or securities giving access to the capital without pre-emptive rights, reserved for employees and corporate officers of Bouygues or any French or foreign companies related to Bouygues within the meaning of applicable law, who are members of any company or Group

savings scheme or any inter-company savings scheme, up to a maximum of 5% of the company's share capital on the day of the Board of Directors' decision, a transaction that you are being asked to approve.

This transaction is submitted for your approval in accordance with the provisions of Article L. 225-129-6 of the Commercial Code and Articles L. 3332-18 et seq of the Labour Code.

Based on its report, the Board of Directors is asking you to delegate to it the competence, for a period of twenty-six months from the date of this meeting, to decide to carry out a capital increase and to cancel your pre-emptive rights to the securities thereby issued. The Board will be responsible for setting the final terms and conditions of any such transaction.

The Board of Directors is responsible for preparing a report in accordance with Articles R. 225-113 et seq of the Commercial Code. Our responsibility is to express an opinion on the fairness of the quantitative information derived from the accounts, on the proposal to cancel pre-emptive rights, and on other specific information regarding the issue contained in that report.

We performed the procedures we considered necessary in accordance with the professional standards issued by the French statutory auditors' board, the CNCC, for this type of engagement. Those procedures involved verifying the information provided in the Board of Directors' report on this transaction and on the terms and conditions for calculating the price of the equity securities to be issued.

Pending a subsequent analysis of the conditions of any such issues, we have no matters to report concerning the terms and conditions for determining the issue price of the equity securities to be issued as set out in the Board of Directors' report.

As the final terms and conditions under which the issues would be carried out have not yet been set, we do not express an opinion on those terms and conditions and consequently, on the proposal made to you to cancel your pre-emptive rights.

In accordance with Article R. 225-116 of the Commercial Code, we will draw up a supplementary report if the Board of Directors decides to use this delegation to issue shares or securities giving access to other equity securities or if securities giving access to future equity instruments are issued.

Auditors' report on the authorisation to allot existing or new shares free of charge (twenty-seventh resolution)

In our capacity as auditors of Bouygues and as required under Article L. 225-197-1 of the Commercial Code, we present our report to you on the proposed allotment of existing or new shares free of charge to persons designated by the Board of Directors among the salaried employees (or certain categories of salaried employees) and/or corporate officers (or certain corporate officers) of Bouygues or of companies and economic interest groupings related to Bouygues within the meaning of Article L. 225-197-2 of the Commercial Code, which you are being asked to approve.

The total number of shares allotted cannot represent more than 1% of the company's share capital on the date the Board of Directors decides to allot the shares.

The total number of shares that may be allotted free of charge to Executive Officers of Bouygues pursuant to this resolution cannot exceed 0.15% of the company's share capital on the date the Board of Directors decides to allot the shares.

Based on its report, the Board of Directors is asking you to authorise it, for a period of twenty-six months from the date of this meeting, to allot existing or new Bouygues shares free of charge.

The Board of Directors is responsible for drawing up a report on this transaction for which it seeks authorisation. Our responsibility is to report to you any matters arising on the information provided in their report to you on the proposed transaction.

We performed the procedures we considered necessary in accordance with the professional standards issued by the French statutory auditors' board, the CNCC, for this type of engagement. Those procedures included checking that the proposed terms and conditions as set out in that report are legally compliant.

We have no matters to report concerning the information provided in the Board of Directors' report on the proposed authorisation to allot shares free of charge.

Auditors' report on the issue of equity warrants free of charge during the period of a public offer for the company's shares (twenty-eighth resolution)

In our capacity as auditors of Bouygues and as required under Article L. 228-92 of the Commercial Code, we present our report to you on the proposed issue of equity warrants free of charge in the event of a public offer for the company's shares, which you are being asked to approve.

Based on its report, the Board of Directors is asking you to delegate to it the competence, for a period of eighteen months from the date of this meeting, and pursuant to Article L. 233-32 II of the Commercial Code, to:

- decide to issue equity warrants pursuant to Article L. 233-32 II of the Commercial Code giving the holders preferential subscription rights to one or more shares in the company, and to allot such warrants free of charge to all shareholders who hold shares in the company prior to the expiry of the public offer period;
- set the terms and conditions of exercise and any other characteristics of those equity warrants.

The nominal amount of shares that may thereby be issued may not exceed €95,000,000 or one quarter of the number of shares that make up the share capital on the warrant issue date, and the number of warrants issued may not exceed 95,000,000 or one quarter of the number of shares that make up the share capital on the warrant issue date.

The Board of Directors is responsible for preparing a report in accordance with Articles R. 225-113 et seq of the Commercial Code. Our responsibility is to express an opinion on the fairness of the quantitative information derived from the accounts and on other specific information regarding the issue contained in that report.

We performed the procedures we considered necessary in accordance with the professional standards issued by the French statutory auditors' board, the CNCC, for this type of engagement. Those procedures involved verifying the information provided in the Board of Directors' report on this transaction.

We have no matters to report concerning the information provided in the Board of Directors' report on the proposed issue of equity warrants in the event of a public offer for the company's shares.

In accordance with Article R. 225-116 of the Commercial Code, we will draw up a supplementary report if and when this delegation is used by the Board of Directors.

Paris-La Défense, 3 March 2022
The Statutory Auditors

MAZARS
Gilles Rainaut

ERNST & YOUNG Audit
Nicolas Pfeuty

GLOSSARY

4G consumption: data consumed on 4G cellular networks, excluding Wi-Fi.

4G users: customers who have used the 4G network during the last three months (Arcep definition).

ABPU (Average Billing Per User):

- In the mobile segment, it is equal to the total of mobile sales billed to customers (BtoC and BtoB) divided by the average number of customers over the period. It excludes MtoM SIM cards and free SIM cards.
- In the fixed segment, it is equal to the total of fixed sales billed to customers (excluding BtoB) divided by the average number of customers over the period.

B2B (business to business): when one business makes a commercial transaction with another.

Backlog:

- **Bouygues Construction, Colas:** the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensory clauses have been lifted).
- **Bouygues Immobilier:** sales outstanding from notarized sales plus total sales from signed reservations that have still to be notarized.

Under IFRS 11, Bouygues Immobilier's backlog does not include sales from reservations taken via companies accounted for by the equity method (co-promotion companies where there is joint control).

Churn:

- **Mobile churn:** the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month.
- **Fixed churn:** the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month.

Construction businesses: Bouygues Construction, Bouygues Immobilier and Colas.

EBITDA after Leases: current operating profit after taking account of the interest expense on lease obligations, before (i) net charges for depreciation, amortization and impairment losses on property, plant and equipment and intangible assets, (ii) net charges to provisions and other impairment losses and (iii) effects of acquisitions of control or losses of control. Those effects relate to the impact of remeasuring previously-held interests or retained interests

EBITDA margin after Leases (Bouygues Telecom): EBITDA after Leases as a proportion of sales from services.

Free cash flow: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies. Free cash flow by business segment is shown in Note 17 "Segment information" in the notes to the consolidated financial statements at 31 December 2021 in Chapter 6 of this document

Free cash flow after WCR: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations, and after changes in working capital requirements (WCR) related to operating

activities. It is calculated after changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies.

FTTH (Fibre to the Home): optical fibre from the central office (where the operator's transmission equipment is installed) all the way to homes or business premises (Arcep definition).

FTTH penetration rate: the FTTH share of the total fixed subscriber base (the number of FTTH customers divided by the total number of fixed customers)

FTTH premises:

- **secured:** the horizontal deployed, being deployed or ordered up to the concentration point.
- **marketed:** the connectable sockets, i.e. the horizontal and vertical deployed and connected via the concentration point.

Growth in sales like-for-like and at constant exchange rates:

- **at constant exchange rates:** change after translating foreign-currency sales for the current period at the exchange rates for the comparative period;
- **on a like-for-like basis:** change in sales for the periods compared, adjusted as follows:
 - for acquisitions, by deducting from the current period those sales of the acquired entity that have no equivalent during the comparative period;
 - for divestments, by deducting from the comparative period those sales of the divested entity that have no equivalent during the current period.

MtoM: machine to machine communication. This refers to direct communication between machines or smart devices or between smart devices and people via an information system using mobile communications networks, generally without human intervention.

Net surplus cash/(net debt): the aggregate of cash and cash equivalents, overdrafts and short-term bank borrowings, non-current and current debt, and financial instruments. Net surplus cash/(net debt) does not include non-current and current lease obligations. A positive figure represents net surplus cash and a negative figure represents net debt. The main components of change in net debt are presented in Note 9 to the consolidated financial statements at 31 December 2021 in Chapter 6 of this document.

Order intake (Bouygues Construction, Colas): a project is included under order intake when the contract has been signed and has taken effect (the notice to proceed has been issued and all suspensory clauses have been lifted) and the financing has been arranged. The amount recorded corresponds to the sales the project will generate.

PIN: Public-Initiative Network.

Reservations by value (Bouygues Immobilier): the € amount of the value of properties reserved over a given period.

- **Residential properties:** the sum of the value of unit and block reservation contracts signed by customers and approved by Bouygues Immobilier, minus registered cancellations.
- **Commercial properties:** these are registered as reservations on notarized sale.

For co-promotion companies:

- if Bouygues Immobilier has exclusive control over the co-promotion company (full consolidation), 100% of amounts are included in reservations;
- if joint control is exercised (the company is accounted for by the equity method), commercial activity is recorded according to the amount of the equity interest in the co-promotion company.

Sales from services (Bouygues Telecom) comprise:

- Sales billed to customers, which include:
 - **In Mobile:**
 - For B2C customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services.
 - For B2B customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services, plus sales from business services.
 - Machine-To-Machine (MtoM) sales.
 - Visitor roaming sales.
 - Sales generated with Mobile Virtual Network Operators (MVNOs)
 - **In Fixed:**
 - For B2C customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire.

- For B2B customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire, plus sales from business services.

- Sales from bulk sales to other fixed line operators.

- Sales from incoming Voice and Texts.
- Spreading of handset subsidies over the projected life of the customer account, required to comply with IFRS 15.
- Capitalization of connection fee sales, which is then spread over the projected life of the customer account.

Other sales (Bouygues Telecom): difference between Bouygues Telecom's total sales and sales from services.

It comprises:

- Sales from handsets, accessories and other
- Roaming sales
- Non-telecom services (construction of sites or installation of FTTH lines)
- Co-financing of advertising

Very-high-speed: subscriptions with peak downstream speeds higher or equal to 30 Mbit/s. Includes FTTH, FTTLA, 4G box and VDSL2 subscriptions (Arcep definition).

Wholesale: wholesale market for telecoms operators.

CONCORDANCE

This concordance reproduces the items listed in Annex I of the Delegated Regulation (EU) 2019/980 and gives the reference of the pages of this Universal Registration Document (URD) where the information relating to each item may be found.

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Historical financial information for 2019 and 2020

Pursuant to Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129, the following information is included by reference in this Universal Registration Document:

- key financial information and the consolidated financial statements for the year ended 31 December 2019 and the auditors' reports relating thereto, presented respectively on pages 16 to 21 and 265 to 362 of the 2019 Universal Registration Document filed with the Autorité des Marchés Financiers on 23 March 2020 under No. D. 20-0157;

- key financial information and the consolidated financial statements for the year ended 31 December 2020 and the auditors' reports relating thereto, presented respectively on pages 18 to 23 and 263 to 357 of the 2020 Universal Registration Document filed with the Autorité des Marchés Financiers on 17 March 2021 under No. D.21-0139.

These documents are available in the Finance/Regulated information section of the Bouygues website at www.bouygues.com.

Full-year financial report

The concordance below identifies the information in this Universal Registration Document which constitutes the full-year financial report that listed companies are required to issue pursuant to Article L. 451-1-2 of the Monetary and Financial Code and Article 222-3 of the AMF General Regulation:

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Management report

The concordance below identifies the information which constitutes the management report pursuant to Articles L. 225-100 et seq, L. 22-10-35 et seq and L. 232-1 of the Commercial Code.

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– powers of the Board of Directors, in particular with respect to the issuance or buyback of shares;	
– agreements entered into by the company which will be modified or expire in the event of a change of control of the company, unless such disclosure, other than where legally required, would be seriously prejudicial to its interests;	
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6. Other information

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6.2. Injunctions or financial penalties for anti-competitive practices (Article L. 464-2 of the Commercial Code)	Not applicable

Group CSR challenges and non-financial reporting quantitative indicators

Group CSR challenges	
Human resources Section 3.2	<p>Ensuring health, safety and well-being in the workplace Section 3.2.2</p> <ul style="list-style-type: none"> • Frequency rate of workplace accidents among staff • Severity rate of workplace accidents among staff • Number of fatal accidents • Number of employees with a recognised occupational illness • Number of days off work as a result of a workplace accident • Absenteeism rate • Number of temporary staff (FTE) • Number of workplace accidents among temporary staff • Number of fatal accidents among temporary staff • Existence of employee representation outside France
	<p>Attracting, recruiting and inducting employees while fighting all forms of discrimination through high-quality labour relations Section 3.2.3</p> <ul style="list-style-type: none"> • Headcount by region • Headcount outside France • Benefits granted to employees • Recruitment by job category in France and outside France • Number of apprenticeship contracts during the year • Number of professional training contracts during the year • Number of departures • Average gross annual salary by job category in France • Workforce by gender • Women with staff status of which have manager status • Women with worker status • Number of employees with disabilities • Number of employees with disabilities hired during the year • Sales with sheltered workshops and disability-friendly companies during the year • Workforce by age range
	<p>Supporting employees throughout their careers by addressing changes in occupational roles and skill-sets early on Section 3.2.4</p> <ul style="list-style-type: none"> • Existence of a formal training plan • Number of employees trained • Average number of training days per employee trained • Number of training days

Group CSR challenges

<p>Environmental impacts Section 3.3</p>	<p>Rolling out a comprehensive strategy for reducing greenhouse gas emissions and adapting products and services to climate change, in line with public policies Section 3.3.2</p>	<ul style="list-style-type: none"> • Energy used per tonne of asphalt mix produced (Colas) • Warm- and low-temperature asphalt mixes (Colas) • Total energy costs (Colas) • Total electricity consumption (Bouygues Telecom) • Bouygues group greenhouse gas emissions • Greenhouse gas emissions by source • Greenhouse gas emissions by business segment • Carbon intensity by business segment • Group carbon intensity (Scopes 1, 2 and 3a) • Greenhouse gas emission reduction targets for 2030 • Greenhouse gas emissions relative to production of a tonne of asphalt mix (Colas)
<p>Section 3.3.4</p>	<p>Making the circular economy a driver for transforming building and communications methods Section 3.3.4</p>	<ul style="list-style-type: none"> • Recycled materials in relation to the volume of aggregates produced • Asphalt pavement recycled in order to reclaim bitumen • Waste oil recovery rate • Percentage of spoil recycled • Usable non-hazardous waste recycled • Percentage of non-hazardous waste recycled (not landfilled) • Handsets collected for recycling or re-use (from customers/after-sales) • Volume of recycled materials (Colas) • Volume of aggregates from recycled pavement
<p>Section 3.3.1 and 3.3.5</p>	<p>Helping customers and end-users save energy and make sustainable use of resources Sections 3.3.1 and 3.3.5</p>	<ul style="list-style-type: none"> • R&D budget spent on CSR (Bouygues Construction) • Buildings in the annual order intake with a commitment to environmental labelling or certification prescribed by Bouygues Construction • Surface area of road pavement recycled in-place • Number of housing units carrying the BiodiverCity Ready label or covered by a commitment to obtain it (Bouygues Immobilier) • Number of construction projects with the BiodiverCity label (Bouygues Construction)
<p>Section 3.3.4</p>	<p>Minimising the environmental impact of business activities; biodiversity and ecosystem protection Sections 3.3.1 and 3.3.4</p>	<ul style="list-style-type: none"> • Sales covered by an ISO 14001-certified EMS • Environmental certification of materials production sites (Colas) • Rate of environmental self-assessment using Colas checklists • Materials production activities that use a tool to manage environmental impacts (environmental certification and/or Colas checklists) • Share of permanent activities located in extremely water-stressed areas • Water self-sufficiency rate in extremely water-stressed areas • Share of sales before inter-company eliminations in extremely water-stressed areas where an action plan has been implemented • Share of aggregates production sites working to promote biodiversity (Colas)

Stakeholder challenges Section 3.4	Meeting societal expectations in terms of integration, poverty alleviation and service accessibility and conducting dialogue with Group stakeholders Sections 3.4.2, 3.4.3 and 3.4.5	<ul style="list-style-type: none"> • Sales before inter-company eliminations of materials production sites working to promote dialogue with local communities • Number of partnerships during the year supporting integration, education and healthcare (Bouygues Construction) • Spending on patronage and sponsorship in cash and in kind • Number of hours devoted to occupational integration and the corresponding full-time equivalent (France) (Bouygues Construction) • Percentage of expenditure favouring local companies (Bouygues Construction)
Governance challenges: human rights, ethics	Ensuring that human rights and international conventions are upheld in all decisions and relationships with business partners Section 3.4.5	<ul style="list-style-type: none"> • Number of CSR assessments carried out on suppliers and/or subcontractors • Share of business segment expenditure targeted by CSR criteria or covered by CSR assessments • Specific qualitative indicators by business segment
	Managing business relations transparently and responsibly Section 3.4.1	<ul style="list-style-type: none"> • Number of employees trained using the Fair Deal module • Number of eligible employees trained using the Fair Play module (Colas) • Number of employees trained in ethics using the BI Learn module (Bouygues Immobilier) • Specific qualitative indicators by business segment

STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I hereby declare that, to the best of my knowledge, the information in this Universal Registration Document is correct and that all reasonable measures have been taken to that end. There are no omissions likely to alter the scope of this information.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial positions and results of the company and all the undertakings included in the consolidation taken as a whole; and that the management report on pages 7 to 262 and 359 to 389 includes a fair review of the development and performance of the business, the results and the financial position of the company and all the undertakings in the consolidation taken as a whole, and that it describes the principal risks and uncertainties that they face.

Paris, 23 March 2022



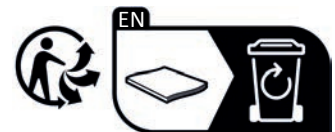
Olivier Roussat
Chief Executive Officer

Front cover: at the initiative of the Lyon metropolitan authority, a trial of the Flowell dynamic luminous roadmarking solution on the campus of LyonTech-la Doua university.

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The interactive Universal Registration Document has a powerful search engine and useful internet links.



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- 2021 At a Glance is available in French, English, German, Chinese (Mandarin), Korean and Japanese.

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